

**CITY OF CORDOVA, ALASKA
RESOLUTION 01-03-05**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA,
SUPPORTING THE FORMATION OF A PRINCE WILLIAM SOUND BOROUGH**

WHEREAS, the City Council has determined it is in the best interests of the community to form a Prince William Sound Borough; and,

WHEREAS, a previously conducted study by the Local Boundary Commission staff, dated May 3, 1999, determined that it is economically feasible to form the Prince William Sound Borough.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Cordova, Alaska supports the formation of a Prince William Sound Borough and directs staff to work with the Local Boundary Commission to consider the borough formation.

**PASSED AND APPROVED BY THE CITY OF CORDOVA ON THIS 8TH DAY OF
JANUARY, 2003.**





Nancy Bird, Vice-Mayor



Lila J. Koplin, City Clerk

Angoon Ak.
Jan 20, 2003

TO WHOM IT MAY CONCERN:

It was recently reported that the state had determined that four areas in Southeastern Alaska were economically stable enough to support borough status and that the borough commission was to report their findings to the Legislature in mid February. One of the four areas in Southeast was a possible Kake, Angoon, Cube Cove borough.

As a resident of Angoon and an Alaskan for nigh on sixty-eight years I would like to know who it was who determined that this area (the proposed borough) was economically stable enough to support a borough? All I can say is that they must have been smoking pot! At least eighty-five percent of the residents in Angoon are dependent upon state and Federal aid programs and unemployed. Commercial fishing, once the main source of income is virtually non-existent with only five or six residents with small halibut quotas. The majority of the residents live in B.I.A. Bureau of Indian Affairs housing receive public assistance, Supplemental Social Security, General assistance, energy assistance and other aid. The only jobs here are the schools. Elementary and High School A.C.A. (Angoon Community (B.I.A.) Association) the Post Office, the store (Angoon Trading) the City of Angoon and two summer time only Sport Fish Lodges, two Bed & Breakfast establishments.

while the States Employment Security Division reports regularly that our unemployment rate is only eleven percent the figure is totally incorrect. To achieve those figures they use only those who apply for jobs through their division, so if twenty residents apply for work and ten are working and ten are on unemployment or unemployed they use those figures for the unemployment percentages. The actual unemployment rate here and in most villages in Southeast is in the high eighties and the only reason those figures change is because of what we call project jobs.

Project jobs are jobs that last usually for only a short time, for example a new health clinic is scheduled to be built in the near future that will require hiring a small number of residents i.e., eight to ten, the job may last six months, to a year and then it's gone while the workers sit around waiting for the government (usually) to bring in another project while it makes the Employment rate for Angkor look good, it doesn't tell the true story. In almost 100% of the projects the same eight to ten people hired are the ones that worked the last job very seldom does anyone else get hired.

While the money helps to survive for those few who get on the job the rest of the community remains at the poverty

level. Temporary projects (JSS) like this pay for immediate needs but does not assure security for old age benefits such as retirement or health benefits. What money comes in, goes out quickly for every day living costs. I would guess that eighty to eighty five percent of our residents meet Federal poverty levels. The proposed borough of Angoon, Kake or Angoon, Hoonah are not contiguous to each other, each being on separate islands as far as seventy miles apart and the islands separated by wide waterways eight to twelve miles wide. Cube Cove also mentioned as a community that would be included in a possible borough with Angoon is now a defunct (closed down) logging camp, Ste Atika the owner of Cube Cove is now attempting to sell or trade those lands.

While Kake, Angoon and Hoonah are primarily Tlingit Indians, they have always had strong Rivalry's going back hundreds and possibly thousands of years. Kake and Hoonah selected their ANCSA lands immediately adjoining their villages and clearcut the timber while Angoon chose to keep their immediate area wilderness to assure their subsistence way of life. Angoon has rejected uncontrolled tourism so as not to interfere with their cultural and subsistence lives. While Hoonah and Kake have welcomed outsiders. Hoonah and Kake incorporated as first class

cities. Angoon remains second class. Angoon fought the concept of Greens creek operating a mine at Hawk Inlet, fought Sheatika Logging at Cube Cove and other development projects within their area so as to keep their Subsistence lifestyles while Hoonah and Kake has welcomed development.

while this concept does not contribute to Angoon's economy, it does show that Angoon residents have different ideas as to development in around their village than does Kake or Hoonah.

The Kake Village Corporation, Kake Tribal is or was in bankruptcy in 2002, Hoonah is no better off economically. Commercial fishing and logging are currently the pits. I just can't see how anyone could determine that this area can support a borough at this time. We, Angoon has not sought borough status we can't afford what we have.

This idea is surely some bureaucrats pipe dream!

Sincerely,

Frank W. Sharp

Box 23

Angoon AK. 99820

PH: (907) 788-3872

January 5, 2003

SE towns consider boroughs

By JOANNA MARKELL

JUNEAU EMPIRE © 2003

Some Southeast Alaska communities will be watching carefully as the state weighs the fate of unorganized regions over the next few months.

At the behest of the Legislature, the state's Local Boundary Commission last month identified eight areas that might have the financial capacity to form a regional government - a borough. Four are in Southeast, where the subject has been controversial.

Some state lawmakers want to see boroughs formed so local residents help pay for education with local taxes. Unorganized areas don't tax themselves and so don't contribute to school funding. But many communities see the question as one of economics and autonomy.

One area identified for a possible new borough includes communities near Glacier Bay and Icy Strait, where the subject isn't new. Representatives from Hoonah, Pelican, Gustavus and Tenakee Springs began discussing a regional government after the Haines Borough inquired about annexing surrounding communities in 2001. Haines never pursued the idea, but the issue hasn't disappeared, Hoonah City Administrator Keith Bettridge said.

Hoonah recently completed a feasibility study about a Glacier Bay or Icy Strait borough, and is close to starting work on a borough-formation petition to submit to the state, he said. With 860 residents, Hoonah would be the largest town in the new borough.

"(It's) in the spirit of gathering data and providing data to other communities," he said. "Making the decision on whether to go forward could be done jointly or any communities could pursue it. All the petition would do is put it on the ballot and give communities voter input."

Although a Glacier Bay borough would give the communities political strength with the state, financial questions linger, Bettridge said.

"There may need to be some creativity as far as raising additional funds to support a borough government, which is what the communities want to know before stepping into it," he said.

Other communities are more cautious. Some Tenakee Springs residents have expressed concern about paying new taxes and losing autonomy. In Gustavus, the question of whether to form a second-class city may have priority, said Greg Streveler, chairman of the Gustavus Community Association board. Gustavus, population 429, is unincorporated.

"We're probably on the verge of starting a petition for a second-class city," he said. "Compound a borough with a city and that's a lot of action at once."

The general membership of the Gustavus Community Association is scheduled to meet Thursday about forming a second-class city, he said.

Pelican Mayor Kathie Wasserman, a former member of the Local Boundary Commission, said the drive to form boroughs has come largely from the state, but no boroughs have incorporated in the last 10 years.

"To me it seems that there need to be some incentives to encourage boroughs to form and there aren't a lot of incentives at this point," she said. "Most areas are doing it as a reaction to moves they think the state may make."

Wasserman said the state needs to provide more flexibility for communities to form boroughs. As for a Glacier Bay borough, she said the most important thing will be for Hoonah to keep its neighbors informed.

"If it is to work either way, they have to continue to talk with Gustavus and Pelican to keep the lines of communication open," she said. "At least it has to have buy-in with as many people as possible and so everyone is aware of the ramifications."

The state's commission also identified three other possible new boroughs in Southeast. They include a Chatham borough made up of Kake, Angoon and Cube Cove; a Wrangell-Petersburg borough; and a Prince of Wales Island borough.

Craig Mayor Dennis Watson said the idea of forming a borough has "been kicking around" Prince of Wales Island for years, but financial issues have been a hurdle. The communities aren't pursuing anything formal at this time, he said.

"Every time it comes up in earnest, most communities are fiercely protective of their autonomy and it doesn't go anywhere," he said. "The big question is who is going to pay for it."

The community of Craig is taking issue with some of the economic data the Local Boundary Commission reviewed in putting together the borough list, Watson said. Logging, fishing and Native corporation activity on the island have dropped in recent years, he said.

"I don't know where we're going to get the money to do it," he said.

The state's Local Boundary Commission is accepting comments about its borough formation report through February, staff member Dan Bockhorst said.

January 2, 2003

Commission's list names possible future boroughs

THE ASSOCIATED PRESS

ANCHORAGE - A state commission says there are eight unorganized regions of Alaska whose economies may be strong enough to support local borough governments.

The Local Boundary Commission has released a list of the regions that it says could begin paying for their schools with local taxes.

Four areas in Southeast Alaska are included. The potential Glacier Bay borough included Pelican, Whitestone Logging Camp, Gustavus, Tenakee Springs, Elfin Cove, Game Creek and Hoonah.

The potential Prince of Wales borough listed Craig, Klawock, Hydaburg and other small communities. The potential Wrangell-Petersburg borough also included Kupreanof. And the Chatham borough included Kake, Angoon and Cube Cove.

The list also includes the western Aleutian Islands including Dutch Harbor and Adak, the Upper Tanana valley including Delta and Tok, and the Copper River basin including Glennallen and 17 small unincorporated communities.

Also on the list is Prince William Sound, where Cordova and Valdez pay city taxes for schools but might combine forces.

Areas dropped from further consideration include the Yukon-Kuskokwim Delta, the Seward Peninsula and much of the Yukon River Valley.

The Legislature last year ordered the boundary commission to sift through economic and social factors and develop a list of potential boroughs in rural Alaska where school operations and construction are paid for by the state. Organized boroughs, in contrast, contribute \$135 million a year to education, the commission said last year.

"For some areas of the state, the free ride is over," said Sen. Gary Wilken, a Fairbanks Republican who has pushed unsuccessfully for laws to require forming new boroughs. "Why should the people who are supporting themselves also support those who are able to do so, but won't?"

The preliminary list released in December by the commission is based on economic data from the 2000 census. The commission looked at household economic factors, such as income and unemployment, rather than at potential property tax bases. A more refined list, weighing additional factors such as shared characteristics and population, is to be submitted to the Legislature in February.

Alaska is the only state with an unorganized region. Today, 13 percent of Alaskans live outside organized boroughs.

State lawmakers, recognizing that taxpayers seldom vote to create new taxing authorities, created Alaska's urban borough governments through a mandatory act in 1963.

Opponents of state-imposed boroughs say local taxes would be ruinous in most poor rural parts of Alaska.

ALASKA MUNICIPAL LEAGUE**RESOLUTION 2003-4****A RESOLUTION ENCOURAGING REMOVAL OF DISINCENTIVES FOR NEW
BOROUGH FORMATION AND PROPOSING GREATER LOCAL FLEXIBILITY IN
THE DETERMINATION OF BOROUGH BOUNDARIES**

WHEREAS, Senate Bill 359, Section 3, New Borough Incorporation, passed by the 2nd Session of the 22nd Alaska Legislature, calls for the Local Boundary Commission to review conditions in the Unorganized Borough; and

WHEREAS, the Constitution of the State of Alaska, Article X, Section 3, allows for, among other things, Borough consolidations and mergers; and

WHEREAS, no new Alaska boroughs have been organized in over 10 years; and

WHEREAS, the Legislature serves as the Assembly for the Unorganized Borough; and

WHEREAS, according to the annual reports of the Local Boundary Commission, over the past 20 years the Legislature has removed almost every incentive for borough formation (for example, severely reducing municipal revenue sharing) and removing incentives (for example, not funding borough formation studies); and

WHEREAS, the present system of creating boroughs is antiquated and cumbersome and acts as a disincentive to the regions of Alaska who would otherwise entertain borough formation; and

WHEREAS, the economics of the State have dramatically declined and changed within the past ten years, rendering the Model Borough Boundary proposal of 1992 obsolete and impractical.

NOW, THEREFORE BE IT RESOLVED that the Alaska Municipal League encourages the Alaska State Legislature to work with the Local Boundary Commission, communities, and the public to revisit the regulations and standards under which the Model Borough Boundaries were adopted and to reconsider state policies that are deterrents to Borough formation, and base them on the present economy of the State, also allowing for future change as necessity dictates.

Post-It® Fax Note	7671	Date	11-21	# of pages	1
To	Van Rockhove	From	Julian		
Co./Dept.	DCEI	Co.	AML		
Phone #		Phone #			
Fax #	269-4539	Fax #			

"Over 50 Years of Service"



Alaska Municipal League

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Draft Agenda - AML Conference 2002

Preconference Events

Sunday, November 10, 2002

Noon - 5:00 p.m.

- Alaska Government Finance Officers Association (AGFOA)

Monday, November 11, 2002

8:00 a.m. - 5:00 p.m.

- Alaska Assoc. Assessing Officers
 - Alaska Assoc. of Municipal Attorneys
 - AGFOA
 - Newly Elected Officials Seminar
 - Alaska Municipal Management Assoc.(AMMA) - Training
- 4:30 p.m. - 6:00 p.m. Alaska Municipal League Investment Pool Board Meeting

Tuesday, November 12, 2002

8:00 a.m. - 5:00 p.m.

- Alaska Assoc. of Municipal Clerks (AAMC)
 - Alaska Chapter, American Planning Association
 - Newly Elected Officials Seminar (continued)
 - Public Works Directors Association
 - Other Association Meetings (continued)
- 9:00 a.m. - 1:30 p.m. Alaska Conference of Mayors (ACoM)
2:00 p.m. - 4:00 p.m. AML Board of Directors Meeting
2:00 p.m. - 5:00 p.m. Early Conference Registration
Evening Association Social Events

Conference

Wednesday, November 13, 2002

8:00 a.m. - 5:00 p.m. Registration and Exhibits
10:00 a.m. - 11:15 a.m. Opening Session
11:45 a.m. - 1:15 p.m. Opening Luncheon
1:15 p.m. - 2:45 p.m. General Session
3:00 p.m. - 5:30 p.m. Policy Sections Meetings
5:30 p.m. - 6:30 p.m. Nominating Committee Meeting
4:00 p.m. - 6:00 p.m. AML/JIA Board & Annual Meeting
6:00 p.m. - 7:30 p.m. Host Welcoming Reception

Thursday, November 14, 2002

8:30 a.m. - 11:30 a.m. Workshops
Noon - 1:15 p.m. Luncheon
1:45 p.m. - 5:00 p.m. Workshops
3:30 p.m. - 6:00 p.m. Resolutions Committee Meeting
6:00 p.m. - 10:00 p.m. President's Reception and Awards Banquet

Friday, November 15, 2002

8:30 a.m. - 10:00 a.m. Board of Director Elections

8:30 a.m. - noon Breakfast and Annual Meeting
1:00 p.m. - 2:00 p.m. AML Board Meeting and Legislative Committee Meeting

217 Second Street, Suite 200, Juneau, Alaska 99801

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CITY OF PETERSBURG

P.O. BOX 329 • PETERSBURG, ALASKA 99833

TELEPHONE (907) 772-4511

TELECOPIER (907) 772-3759

December 18, 2002

Mr. Kevin Waring, Chairperson
State of Alaska Local Boundary Commission
550 West Seventh Ave., Suite 1770
Anchorage, AK 99501

Dear Mr. Waring:

Enclosed is a copy of City of Petersburg Resolution # 1705 encouraging removal of disincentives for new borough formation and proposing greater local flexibility in the determination of borough boundaries.

As a community in an unorganized borough and listed on the Commission's list of areas identified as "may have" the financial capacity to operate borough governments, we request you share our position with all Boundary Commission members.

Sincerely,

Kathy O'Rear
City Clerk

Cc: Myrna Gardner, First Judicial District Member
Governor Murkowski
Senator Taylor
Representative Wilson
SE Conference
Alaska Municipal League
Mayor Wasserman, City of Pelican

RESOLUTION NO. 1705

Offered by: Anderson
Supported by: Bracken

**RESOLUTION ENCOURAGING REMOVAL OF DISINCENTIVES FOR NEW
BOROUGH FORMATION AND PROPOSING GREATER LOCAL FLEXIBILITY IN
THE DETERMINATION OF BOROUGH BOUNDARIES**

WHEREAS, Senate Bill #359, Section 3, New Borough Incorporation, passed by the 2nd Session of the 22nd Alaska Legislature, calls for the Local Boundary Commission to review conditions in the Unorganized Borough; and

WHEREAS, the Constitution of the State of Alaska, Article X, Section 3, allows for, among other things, Borough consolidations and mergers, and

WHEREAS, according to the annual reports of the Local Boundary Commission, over the past 20 years, the Legislature has removed almost every incentive for borough formation (for example, severely reducing municipal revenue sharing and not funding borough formation studies); and

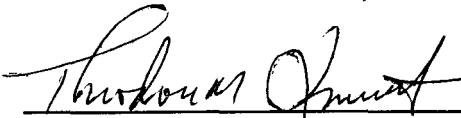
WHEREAS, the present system of creating boroughs is antiquated and cumbersome and acts as a disincentive to the regions of Alaska who would otherwise entertain borough formation; and

WHEREAS, the economics of the State have dramatically declined and changed within the past ten years, rendering the Model Borough Boundary proposal of 1992 obsolete and impractical.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Petersburg, the Alaska State Legislature is encouraged to work with the Local Boundary Commission, communities and the public to revisit the regulations and standards under which the Model Borough Boundaries were adopted and to reconsider state policies that are deterrents to Borough formation, and base them on the present economy of the State, also allowing for future changes as necessity dictates.


APPROVED by the City Council of the City of Petersburg, Alaska, at a regular meeting held this 16th day of December, 2002.

CITY OF PETERSBURG, ALASKA



Ted Smith, Mayor

ATTEST:



Kathy O'Rear, City Clerk



Southeast Conference



P.O. Box 21989 Juneau Alaska 99802-1989 Tel. (907) 463-3445 Fax (907) 463-5670

November 25, 2002

Dan Bockhorst
Local Boundary Commission Staff
Dept. of Community & Economic Development
550 7th Ave. Suite 1770
Anchorage, AK 99501-3510

R.E.: Your email of 11/22

Mr. Bockhorst:

Enclosed please find a signed copy of the Southeast Conference Resolution # 03-13. This is to certify that the resolution was submitted in the course of normal process with the requisite number of sponsors during our annual meeting held in Craig Alaska in September, 2002. The resolution was reviewed by the board of directors, and forwarded to the membership with a "do pass" recommendation. It was approved by the membership with unanimous consent on the date noted in the resolution.

We request that the resolution be included in the permanent record of deliberation on this issue.

Sincerely,

Loren Gerhard
Executive Director

**A RESOLUTION OF SOUTHEAST CONFERENCE PROPOSING AN
ENHANCED ROLE OF LOCAL DETERMINATION FOR REGIONS OF
THE UNORGANIZED BOROUGH THROUGH THE ESTABLISHMENT
OF MORE FLEXIBLE BOUNDARIES THAN THE CURRENT MODEL
BOROUGH BOUNDARY PROPOSAL ALLOWS
(Resolution 03-13)**

WHEREAS, Senate Bill #359, Section 3, New Borough Incorporation, passed by the 2nd Session of the 22 Alaska Legislature, calls for the Local Boundary Commission to review conditions in the Unorganized Borough; and

WHEREAS, the Constitution of the State of Alaska, Article X, Section 3, allows for, among other things, Borough consolidations and mergers; and

WHEREAS, no new Alaska boroughs have been organized in over ten years; and

WHEREAS, the present system of creating boroughs is antiquated and cumbersome and acts as a disincentive to the regions of Alaska who would otherwise entertain borough formation; and

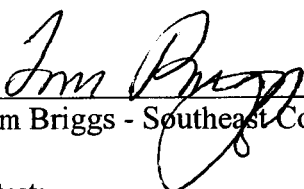
WHEREAS, the economics of the State have dramatically declined and changed within the past ten years, rendering the Model Borough Boundary proposal of 1992 obsolete and impractical.

NOW, THEREFORE BE IT RESOLVED THAT the Southeast Conference encourages the Alaska State Legislature to revisit the regulations and standards under which the Model Borough Boundaries were adopted.

BE IT FURTHER RESOLVED THAT the Alaska State Legislature revise those standards that are deterrents to Borough formation, and base them on the present economy of the State, also allowing for future change as necessity dictates.

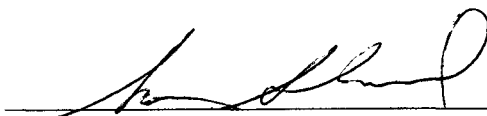
ADOPTED BY THE MEMBERSHIP OF Southeast Conference on September 19, 2002

Witness:



Tom Briggs - Southeast Conference President

Attest:



Loren Gerhard - Executive Director



CITY OF PETERSBURG

P.O. BOX 329 • PETERSBURG, ALASKA 99833

TELEPHONE (907) 772-4511

TELECOPIER (907) 772-3759

March 20, 2003

State of Alaska Local Boundary Commission
550 West Seventh Ave., Suite 1770
Anchorage, AK 99501

Dear Commissioners:

Enclosed is a copy of the City of Petersburg's resolution # 1710. The resolution opposes the Local Boundary Commission's recommended model borough boundary area for Petersburg-Wrangell.

Sincerely,

Kathy O'Rear
City Clerk



CITY OF PETERSBURG

P.O. BOX 329 • PETERSBURG, ALASKA 99833

TELEPHONE (907) 772-4511

TELECOPIER (907) 772-3759

RESOLUTION NO. 1710

Offered by: Tremblay

Supported by: Sarff

RESOLUTION OPPOSING THE STATE OF ALASKA, LOCAL BOUNDARY COMMISSION'S RECOMMENDED MODEL BOROUGH BOUNDARY AREA FOR PETERSBURG-WRANGELL

WHEREAS, the State of Alaska, Local Boundary Commission has recommended a model borough boundary area for Petersburg-Wrangell, and

WHEREAS, the City of Petersburg has recently completed an Analysis of Borough Options and the analysis indicates there is no fiscal advantage for Petersburg to form a borough, and

WHEREAS, the residents of the City of Petersburg currently pay 6% sales tax and 10.17 mills for real property tax. A major portion of these funds are used to support Petersburg Schools. In FY 2002/2003 the City will contribute \$1,975,076. to school operations. This is \$627.81 annually for every man, woman and child in our community and is the maximum allowed by the Department of Education. The minimum local effort required is \$1,005,246, and

WHEREAS, the Alaska Constitution provides for minimum local government units and prevention of multiple tax levying jurisdictions. An additional layer of government imposed by a Petersburg-Wrangell Borough would add additional burdens to residents without adding additional or improved benefits.

THEREFORE BE IT RESOLVED the Petersburg City Council strongly opposes the recommendation that the model Petersburg-Wrangell Borough be formed

BE IT FURTHER RESOLVED this resolution does not affect the City of Petersburg's options to petition for different borough boundaries in the future.

Passed and approved by the Petersburg City Council on March 17, 2003.

CITY OF PETERSBURG, ALASKA

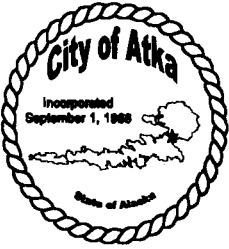
Paul Anderson, Mayor Protem

ATTEST:

Kathy O'Rear, City Clerk

True and Exact Copy

Kathy O'Rear, City Clerk



City of Atka

City Office: P.O. Box 47070 * Atka, Alaska 99547 * Phone:(907)839-2233 * Fax: (907)839-2234
Administrator: P.O. Box 765 * Unalaska, Alaska 99685 * Phone:(907)581-6226 * Fax: (907)581-6317
E-mail: atka2@arctic.net

March 13, 2003

State DCED
Local Boundary Commission
550 7TH
Anchorage, Alaska 95501

RE: Aleutians West Borough

The Atka City Council did not provide any comments or opinions concerning the model borough study for the Aleutians West because written report was not received in Atka until February 14th, after the public hearings on February 9th. There is no local internet access in Atka and the one that is available is a long distance call that times out when downloading long documents. I did provide a few corrections to the information contained in the report but did not provide any comments from the City Council since they had not had an opportunity to review the study. The City Council did meet on February 26th and the borough study was discussed..

The Atka City Council opposes borough formation in the Aleutians West for the following reasons:

- 1: The majority of the population is based in Unalaska. Five to six seats on the borough assembly and school board would most likely be held by Unalaskans. The majority of residents in Unalaska are non-Native with many coming from other places outside Alaska. They may not be familiar with or interested in learning about what it is like for people living in a remote, rural village such as Atka. It is feared that it will be difficult for the needs and desires of smaller communities, such as Atka, to be heard and met through a borough. A borough in the Aleutians West could set up a mini regional version of the "urban" vs. "rural" divide since most of the population is in Unalaska and the people there will believe they are entitled to most of the attention and resources.
2. A borough could impose new taxes on Atka residents. Unalaska residents already pay a number of local taxes; Atkans do not pay local taxes other than raw fish sales tax levied on the fish processed in the shore based plant. According to the US Census, Atka has a median household income of \$30,938 per year. The Unalaska median household income is more

than two times that at \$69,539. Atka residents already pay extremely high costs for transportation, heating fuel, electricity, gasoline, and food. Taxes in the form of sales tax or property tax will create additional financial burdens for local residents. Atka residents work seasonally fishing locally for halibut and black cod. There are few year-round jobs available. Families have a hard time meeting expenses as it is without having to pay additional taxes.

3. There may not be enough of a tax base in Atka to provide enough support to make taxation worthwhile. The tax base is in Unalaska not Atka. Why would Unalaska residents want to pay taxes to carry the burden of Atka.
4. It is understood that the purpose of the study was to identify which unincorporated regions meet the standards for borough formation. However, the information provided in the study raised more questions than it provided answers.

We hope you will consider our comments even though they are being submitted late.

Signed,

CITY OF ATKA ,



Julie Dirks
City Administrator

Cc: Representative Carl Moses
Senator Lyman Hoffman
Atka City Council

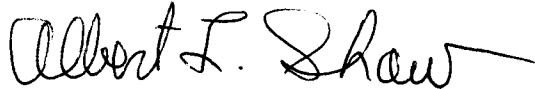
300 Hermit St. #6
Juneau, Ak 99801
March 3, 2003

Alaska Div. Of Community and Business Development
550 W. Seventh Avenue, Suite 1770
Anchorage, Ak. 99501

Attn, Dan Bockhorst:

Enclosed are copies of the letters I wrote in 1989 and 1991 regarding the Juneau Borough possible boundaries. As you can see my position hasn't changed in 14 years. In fact 35 years would be even more correct. I have just received and looked at Department's February - 2003 report to the Legislature. I'll take for Juneau the area between the proposed Chatham Borough and the Wrangell/Petersburg Borough plus Cube Cove. This would give Juneau the extreme Eastern part of Admiralty Island plus the Northern part and not leave a no-mans land in that area. I hope you will share this with the Boundarie Commission. Thank you for your time.

Yours truly,

A handwritten signature in black ink that reads "Albert L. Shaw". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

Albert L. Shaw

631 WEST 11th STREET
JUNEAU, ALASKA 99801
JUNE 25, 1991

ALASKA DEPT. OF COMMUNITY AND REGIONAL AFFAIRS
949 EAST 36th AVENUE - ROOM 405
ANCHORAGE, ALASKA 99508

RE: ANNEXATION OF GREENS CREEK AND THE SURROUNDING AREA.

SIR:

I AM NOT SURE IF I'AL BE ABLE TO ATTEND YOUR JUNE 29, 1991
MEETING IN JUNEAU ON THE GREENS CREEK MINE ANNEXATION
BUT I AM INCLUDING A COPY OF MY OCTOBER 12, 1989 LETTER
ON THAT SUBJECT. MY #1 SUGGESTION IN THAT LETTER IS
STILL MY POSITION WHICH I FEEL IS THE ONLY LOGICAL
ONE FOR JUNEAU, THE AREA AND THE STATE OF ALASKA.
THANK YOU FOR YOUR CONSIDERATION.

YOURS,



ALBERT SHAW

631 WEST 11th STREET
JUNEAU, ALASKA 99801
OCTOBER 12, 1989

ALASKA DEPT. OF COMMUNITY AND REGIONAL AFFAIRS
949 EAST 36th AVENUE - ROOM 405
ANCHORAGE, ALASKA 99508

ATTENTION: DAN BOCKHORST

DEAR MR. BOCKHORST:

IN RESPONSE TO YOUR NOTICE OF FILING OF A PETITION FOR ANNEXATION OF THE MANSFIELD PENINSULA AND THE GREEN CREEK MINE BY THE CITY AND BOROUGH OF JUNEAU LET ME SUGGEST THE FOLLOWING.

MY #1 SUGGESTION IS THAT YOU ATTACH ALL OF THE NORTHERN HALF OF ADMILITARY ISLAND TO THE CITY AND BOROUGH OF JUNEAU. YOU START AT THE PRESENT SOUTHWEST CORNER C. THE JUNEAU BOROUGH AND DRAW A LINE WEST TO THE NORTHEAST CORNER OF THE SITKA BOROUGH THEN NORTHWEST UP CHATHAM STRAIT TO THE SOUTHEAST CORNER OF THE HAINES BOROUGH. AS A MEMBER OF THE COMMITTEE THAT DREW THE PRESENT BOUNDARIES OF THE JUNEAU BOROUGH I WOULD HAVE INCLUDED ALL OF THE ABOVE WHEN WE FORMED THE JUNEAU BOROUGH BUT DIDN'T THINK WE COULD HAVE GOTTEN IT THROUGH BOUNDARIE COMMISSION. THIS WOULD SQUARE UP THE PRESENT BOROUGH AND STILL ALLOW ROOM FOR RURAL BOROUGH TO BE FORMED IF DESIRED.

MY #2 SUGGESTION IS THAT YOU DRAW A LINE FROM THE MOUTH OF HAWK INLET TO THE SOUTHEAST CORNER OF THE HAINES BOROUGH. THIS WOULD BE BETTER THEN THE SPOT ANNESATION THAT IS BEING PREPOSED.

JUNEAU IS THE SERVICE CENTER FOR ALL OF THE ABOVE AREA AND ALTHOUGH THEY COULD EXIST WITH OUT US IT WOULD BE MORE EXPENSIVE AND DIFFICULT. THEIR QUALITY OF LIFE IS BETTER BECAUSE OF THE EXISTANCE OF THE JUNEAU BOROUGH.

SINCERELY,

Sumner Strait Advisory Committee
Box 48
Pt. Baker, AK 99927

Local Boundary Commission
550 W. 7th Ave. Suite 1770
Anchorage, AK. 99501-3501

Dear Commissioners:

Feb. 17, 2003

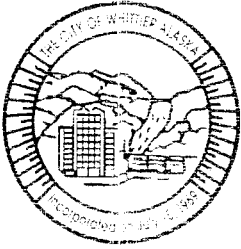
The topic of standards for inclusion in the Prince of Wales Model Borough for the two communities of Pt. Baker and Port Protection was discussed at our recent meeting. Our Committee believes that some important characteristics of our communities were overlooked by your commission, and that if these factors were given just consideration we would be better served by being included in the Gustavus Model Borough.

Commercial fishing, along with a significant dependence on subsistence harvesting is what characterizes Pt. Baker and Port Protection. The other communities on Prince of Wales Island are more interested in the timber industry and in developing transportation and better access to the island. Both of those interests we believe are in direct conflict with what we value most, which is our subsistence lifestyle. We think that our way of life and values are more similar to those of communities such as Pelican and Elfin Cove than they are to those of Craig and Thorne Bay. We also think that shared values are more important factors in determining who will be in the same borough than geographic proximity. Apparently you also do not necessarily weigh geography that heavily in your inclusion criteria, otherwise Edna Bay, and Port Alexander which are not on Prince of Wales Island would not be included in your P.O.W. model Borough.

Our villages are grateful that the Alaska National Interest and Lands Conservation Act was enacted to protect our subsistence way of life. We would urge you to consider the provisions of that act of congress in your decisions regarding the make-up of any proposed future boroughs. Thank you for your consideration.

Donald Hernandez
Chairman





THE CITY OF WHITTIER

Gateway to the Western Prince William Sound

P.O. Box 608 • Whittier, Alaska 99693 • (907) 472-2327 • Fax (907) 472-2404

February 14, 2003

Mr. Don Bockhorst
Division of Community & Business Development
Department of Community & Economic Development
550 West 7th Ave., Suite 1770
Anchorage, Alaska 995-1-3510

RE: Local Boundary Commission
Unorganized Borough

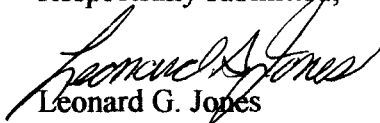
Dear Mr. Bockhorst:

On February 8, 2003, I provided testimony to the Local Boundary Commission concerning unorganized boroughs. As I stated during my public testimony, the City of Whittier, Alaska fully supports the creation of an organized borough in Prince William Sound. This borough should include: Whittier, Chenega, Tatitlek, Cordova and Valdez.

I request that all future correspondence concerning this issue be directed to my attention as the City Manager of Whittier. I have not had an opportunity to fully review the documents concerning the direction and/or intent of the Boundary Commission concerning the Prince William Sound area redistricting plan. Further, the citizens of the City of Whittier do not want to be subject to annexation and/or any other form of forced reorganization into a specific borough other than a Prince William Sound Borough.

I may be contacted at (907) 472-2327 ext. 103 should the Commission require further clarification on the City of Whittier's position. Thank you for allowing me the opportunity to express the concerns to both the Local Boundary Commission and the 23rd Legislature of the State of Alaska.

Respectfully submitted,


Leonard G. Jones
Interim City Manager

Lgj

Cc: City Council, City of Whittier

TOK COMMUNITY UMBRELLA CORPORATION
An Alaska Nonprofit Corporation
RESOLUTION OF THE BOARD OF DIRECTORS 03-01

THE BOARD OF DIRECTORS of the Tok Community Umbrella Corporation, held a board meeting on February 13, 2003 at 7:30 P.M. in Tok, Alaska.

Whereas: This Corporation is organized exclusively for the promotion of social welfare as described in the Internal Code of 1954. The corporation will operate primarily to further the common good and general welfare of all the people of the community of Tok.

A RESOLUTION of the Board of Directors of the Tok Community Umbrella Corporation regarding Local Boundary Commission Report due to Legislature February 19, 2003 on conditions in the unorganized borough, for the areas it has identified that meet the standards for incorporation. HCS CSSB 359, Chapter 53 SLA2002.

Whereas: the founding fathers of the Alaska Constitution did not for see Alaska Native Claims Settlement Act nor Alaska National Interest Lands Conservation Act when they addressed organization of boroughs and cities for land entitlement.

Whereas: borough incorporation standards does not address issues relating lands included in the Alaska Native Claims Settlement Act nor Alaska National Interest Lands Conservation Act (ANILCA) to incorporation boroughs in regard to land entitlement.

Whereas: A major portion of Tok's school district is native and support native community schools.

Whereas: A consent decree in Tobeluk vs Lind and Hootch vs Alaska State -Operated School System, Required the State to build and operate primary and secondary schools in rural villages.

Whereas: the local boundary commission report does not address AS 29.05.031-Incorporation of a borough.

(3) how: the economy of the area includes the human and financial resources capable of providing municipal services; evaluation of an area's economy includes land use, property values, total economic base, total personal income, resource and commercial development, anticipated functions, expenses, and income of the proposed borough or unified municipality;

Whereas: the local boundary commission report does not address 3AAC110.045-Community of interest

- (1) how- compatibility of urban and rural areas within the proposed borough
- (2) compatibility of economic lifestyles, and economic lifestyles, and industrial or commercial activities, of all communities in the borough.

Whereas: the local boundary commission report does not address 3AAC 110.050-Ppopulation-

- (2) Duration of residency;
- (4) Seasonal population changes
- (5) Age distributions.

Whereas: the local boundary commission report does not address 3AAC110.055- Resources item

- (B) the reasonably anticipated expenses of the purposed borough.
- (D) The feasibility and plansibility of the anticipated operating and capital budgets through the third full fiscal year of operation:
- (E) the economic bases of the proposed borough;
- (G) land use for proposed borough;
- (H) existing and reasonably anticipated industrial, commercial, and resource development for the proposed borough; and (2) may consider other relevant factors including

- (A) the need for and availability of employable skilled and unskilled persons to serve the proposed borough;
- (B) and interest of the population in sustaining a borough government.

Whereas: the local boundary commission report does not address 3AAC 110.60- Boundaries item (A)
(2) ethnicity and cultures;
(3) population and density patterns;
(5) natural geographical features and environmental factors.

Whereas: the local boundary commission report does not address: AAC110.065-Best Interest of the State
(3) will relieve the State government of the RESPONSIBILITY of providing local services;

Whereas: the local boundary commission report does not address: 3AAC 110.900- Transition- a practical plan for the transfer and integration of all relevant and appropriate assets and liabilities of an existing borough, city, unorganized borough service area, and other entity located in the territory proposed for the change. The plan must be prepared in consultation with the officials of each existing borough, city and unorganized service area.

Whereas: the local boundary commission report does not address: 3AAC 100.980-Determination of the best interest of the State: (2)

- (A) the balanced interest of citizens in the area proposed for change;
- (B) affected local governments;

THEREFORE LET IT BE RESOLVED:

Whereas: the requested local boundary commission report does not comply with borough incorporation standards provided in the Constitution of the State of Alaska, Alaska Statutes, and the Alaska Administrative Code.

Whereas: The standards for borough/municipal incorporation needs to be updated to address today's issues of safe guarding/development of native lands entitlements and release of federal lands to local governments.

Whereas: Land entitlements that would go the borough would severely effect the already restricted land entitlements, when Tok would want to incorporate as a city in the future.

Whereas: Closure and restrictions of public lands in the area has and will undercut any future economical development in the area to support a borough or future municipality of Tok.

Whereas: The State of Alaska entered into an agreement to build and support native schools, which are a major segment of our school district area.

Whereas: The Tok Community Board of Directors believe it is not in the best interest of the Tok community to be included in the Upper Tanana Basin Borough with out complete compliance to the standards and the future development of Tok with the surrounding areas,

Dated this 13TH Day of February 2002, Tok, Alaska.


Debra A Muir, President

IN WITNESS WHEREOF, I have hereto subscribed my name


LuV Smith, Vice President

RECEIVED

FEB JAN 14 2003

February 13, 2003

To: "Local Boundary Commission" ~~Local Boundary Commission~~
From: Kathleen P. Slaboda (Kathy Slaboda)

Please accept the following comments concerning the Review Draft. I am submitting them in addition to verbal testimony that I gave February 8, 2002 at the Glennallen L10 Office.

Again, I wish to stress that I have not had the time to fully review the Review Draft Chapters II and III. Even the extra time given for these written ~~for~~ comments to be submitted has not been enough.

I live on a homestead almost surrounded by land owned by the National Park Service, University of Alaska and Alaska Native Lands in the Township of Tagliana at T. 3 N, Range 1 West of the Copper River Meridian. I know most of the communities described in the CRB Model Borough quite well as I have lived in the CR area for 42 years. (By CR and the CRB I mean the Copper River and Copper River Basin.) I am one of the minority group in this locale, according to your figures, the 45.6% who ~~are~~ employed. I ~~am~~ am one of the lucky ones who have one of the sought-after, really slush high-paying Government jobs in this area. I work for the U.S. Postal Service at Glennallen. After 22 years at the same job I now am grossing an annual salary of approximately \$25,000.00 per year. At 59 years of age I'm looking forward to retiring into poverty in the near future.

I do not know where the financial information came from that is printed in your books for this area. The estimated average household income of \$43,990 is extremely unlikely in this area. Today I delivered mail to Glennallen's 500 post office boxes. One of the mail pieces that I distributed was from the ~~state~~ of Alaska's Heating Assistance Program. As you probably know the Heating Assistance Program helps people with low income pay their heating and/or electric bills. Because I knew I would be writing this testimony to you I thought it might help illustrate the discrepancy of your "study" - ~~and~~ with its possibly very erroneous figures - and the true reality of people's incomes in ~~this~~ the CRB - Model Borough. I counted each piece as I delivered it to its [correctly labeled name and] address. There were 88 pieces. Only three pieces were not deliverable as the people had moved away. This number (85) represents 20% of the population of Glennallen (when the business addresses are subtracted). At least 20% of the population of Glennallen has income low enough that they need (or may need) assistance to pay their heating or electric bills. This is real.

Most of the people in this area of Alaska are struggling to survive. I know I am, even with my two paychecks every month I cannot meet ~~my~~ basic needs. I'm behind with my oil bill. A major repair to my vehicle sets me back months financially. Pay for the local school system? Forget it!

This area would be very hard-pressed to pay for its extensive school system, much less for the construction and maintenance of additional government offices, employees and staff, etc of a CRO-Model Borough.

The State government already receives revenues of approximately 6.5 million dollars into its general fund annually from the 156 miles of oil pipeline that runs through the Copper River Basin. Our school ~~budget~~ budget is approximately 5 million dollars. In this time of National and State ~~budget~~ budget deficits ~~the~~ it is most untimely to be increasing expenditures statewide. There is not going to be more money after we finish the war in Iraq. We will all be poorer then.

I urge this Local Boundary Commission to abandon these actions to create boroughs in these areas of Alaska in these uncertain times. It will only create more hardship on all the peoples of Alaska.
Thank you.

Kathleen F. Sloboda

KATHLEEN F. SLOBODA

Post-it Fax Note	7871	Date	2/14/03	# of pages	4
To	LOCAL BOUNDARY COMMISSION	From	KATHLEEN F. SLOBODA		
Co./Dept.		Co.			
WRITTEN TESTIMONY pages 29, 30, 31 & 32 CHAPTER 3					
(AUGMENTING VERBAL TESTIMONY GIVEN 2/08/03 AT GLENNALLEN)					
L10) Kathy Sloboda Kathleen F. Sloboda					

RECEIVED
FEB 14 2003
RECEIVED
FEB 14 2003
Local Boundary Commission
Local Boundary Commission

Subpart (d) Copper River Basin Model Borough. The Copper River Basin is located in the eastern portion of Southcentral Alaska and encompasses 20,649 square miles. This region includes the Wrangell and St. Elias mountain ranges, the upper Copper River drainage, and nine of the 16 highest mountain peaks in North America. Glennallen is the business hub of the Copper River region. Employment is mostly associated with highway maintenance, small retail stores, local community organizations, medical services and schools. Local businesses primarily serve travelers along the Glenn Highway, providing gasoline, supplies and services. Federal and State agencies, including the Bureau of Land Management, the Alaska State Troopers, the Department of Fish and Game, and a state highway maintenance crew are located in Glennallen.

The Copper River Basin Model Borough encompasses eighteen localities. These are Paxson (population 43); Tazlina (population 149); Silver Springs (population 130); Copperville (population 179); Slana (population 124); Willow Creek (population 201); Gakona (population 215); Glennallen (population 554); McCarthy (population 42); Copper Center (population 362); Gulkana (population 88); Tonsina (population 92); Kenny Lake (population 410); Chistochina (population 93); Mendeltna (population 63); Chitina (population 123); Nelchina (population 71) and Tolsana (population 27). Brief descriptions of land use and development in each of the Copper River Basin localities follows:

Paxson. Several residents of Paxson are State highway maintenance personnel and their families. There is no local school. There are five lodges with restaurants and bars in the area, several gift shops, a post office, gas station, grocery store and bunk house. This area has been a testing site for snowmachine companies for the past several years. One resident holds a commercial fishing permit.

Tazlina. Local businesses include a combined grocery, liquor, hardware, gas and sporting goods store, a wholesale bread distributor, a freight service, and an RV park. The Prince William Sound Community College, Division of Forestry, State Highway Maintenance station, Division of State Parks, and Division of

Population estimates are HIGH
They should be adjusted downward.
1500 to 550 people at Glennallen
these "communities"
are nothing more than
old homesteads that
have been subdivided &
sold.

5 LODGES?

1. PAXSON LODGE
2. MEARS LK LODGE
3. BLACK RAPIDS ?
4. SUMMIT LK LODGE
5. ? N.M.P. ?

dispute this # lodges +
bars, gift shops.
The P.O. is in the lodge
& wall of boxes in a
corner of lodge.

The last sentence should
be struck. It's irrelevant &
state commercial fishing
is nearly dead.

The freight service
& bread distributor, as
also owner of the combined
grocery, liquor, hardware, gas
sporting goods store - on
1 owned.

The PWSCC has been moved
is no longer there.

Pop: 149! No!

29
State
Forestry & Parks
should be combined

also one business!

1 Communications are located in the area. Some residents rely on subsistence
2 fishing and hunting.

3
4 **Silver Springs.** The economy is based on local services and businesses, the
5 National Park offices, and highway-related tourism. Two RV Parks and three
6 river boat charter services operate from Copper Center. Many residents depend
7 on subsistence hunting, fishing, trapping and gathering.

8
9 **Copperville.** This community was developed during Trans-Alaska pipeline
10 construction. Residents are employed in government, schools, retail businesses
11 and other services along the Richardson Highway. Subsistence is important to
12 the community.

13
14 **Slana.** The nearby Nabesna Mine opened in 1923 and operated sporadically
15 through the late 1940s. The mine employed 60 people at its height. Slana
16 developed rapidly in the 1980s when homesteads were offered for settlement by
17 the federal government. The community is comprised primarily of homesteaders.
18 The last location of BLM's homestead program, individuals received 5 acres of free
19 land in Slana. A roadside lodge provides groceries, gas, liquor, an auto
20 mechanic and RV parking. Other local businesses include a general store, art
21 gallery, canoe rental, bed & breakfast, snowmachine sales and solar panel sales.
22 A National Park Ranger Station and state highway maintenance camp are
23 located nearby. Subsistence activities supplement income. Two residents hold
24 commercial fishing permits.

25
26 **Willow Creek.** The economy is based on local services and businesses, the
27 National Park offices, and highway-related tourism. Many residents depend on
28 subsistence hunting, fishing, trapping and gathering.

29
30 **Gakona.** Gakona depends upon local businesses and seasonal tourist travel.
31 There is a motel, restaurant, bar, newspaper print shop, sawmill and dog sled
32 maker in Gakona. Summers provide income for local fishing and hunting guides,
33 rafting operations and outfitters. Three residents hold commercial fishing permits.
34 Some residents rely on subsistence activities and trapping.

35
36 **Glennallen.** Glennallen is the business hub of the Copper River region. Local
37 businesses serve area communities and Glenn Highway traffic, providing
38 gasoline, supplies and services, schools and medical care. State highway
39 maintenance and federal offices are in Glennallen. A visitors' information center
40 and several RV parks serve independent travelers. The Wrangell St. Elias Visitor
41 Center and National Park Headquarters was recently completed. Unemployment
42 is low. Four residents hold commercial fishing permits. Offices for the Bureau of
43 Land Management, Alaska State Troopers, and the Dept. of Fish and Game are
44 located here. There are several small farms in the area.

*DIVISION OF COMMUNICATIONS ?? W...
Not that I ever heard of it & live in
and am a resident of Taylor*

hear about most or all

*Strike NPS - they moved
to Taylor area
Strike this
redundant &
misleading info -
about this description
is not about Silver
Springs.
Pop. 179? Maybe if
combined with
the adjoining Taylor.*

*There is NO NPS
Office at Willow Cr.*

*combine motel & rest-
aurant, bar - all owned
by same party.*

*The newspaper print
shop is no longer
operating.
irrelevant
is in trouble. Commercial fishing*

*Strike this - it is incorrect
The DOT is at Taylor
not Glennallen.*

*NSE.
The Visitor center
NPS Headquarters
at Taylor.
it is HIGH!
Employment is seasonal
& limited.*

*"Several small farms"? There are
no sm or any other size farms !!*

McCarthy. The Kennecott copper mines and camp were established 1908 across from the Kennicott Glacier, 4.5 miles from McCarthy. Over its 30-year operation, \$200 million in ore was extracted from Kennecott, the richest concentration of copper ore known in the world. The mines closed in 1938 and McCarthy was largely abandoned. The historic mine buildings and artifacts are a summer tourism attraction. Employment is limited and seasonal. Local businesses include lodges, a museum, a small store, gift shop, and guide services.

Copper Center. The economy is based on local services and businesses, the National Park offices, and highway-related tourism. The Copper Center Lodge is on the National Register of Historic Roadhouses. Two RV Parks and three river boat charter services operate from Copper Center. Many residents depend on subsistence hunting, fishing, trapping and gathering. Eight residents hold commercial fishing permits.

Gulkana. Residents of Gulkana engage in subsistence hunting, fishing, trapping and gathering. Employment is limited to the village council and seasonal construction. There are no businesses in the village. The Wrangell-St. Elias National Park and Preserve provides some federal employment.

Tonsina. The 2000 census reported that eighteen individuals were employed at Tonsina. Roadhouses, the Ernestine State Highway Maintenance camp, and Alyeska Pipeline Pump Station 12 are the nearest employers. Subsistence activities supplement income.

Kenny Lake. Agriculture in the area produces hay, vegetables and cattle. Local employers include the REAA school, a sawmill and lumber business, a fur farm, a feed and seed supplier, a glass company and a construction company. Several residents are employed in North Slope petroleum production or support activities. Tourism activities include horse backpacking trips.

Chitochina. Most cash employment in Chitochina is seasonal. Subsistence hunting, fishing, trapping and gathering are the basis of the village's economy.

Mendeltna. The area offers a general store, a lodge, and air taxi services for fly-in fishing and mountaineering, and a state highway maintenance station. The largest RV campground in Alaska is located here, complete with showers, cabins, restaurant and bar. A local farm raises cattle and hogs, and tests varieties of seeds and grains for the Cooperative Extension Service. Seasonal employment, coupled with subsistence harvests, supports many Mendeltna residents.

Chitina. Employment is primarily with the village council, village corporation, or the National Park Service. Many residents are self-employed or work in retail establishments. The summer influx of fishermen, tourists and RV campers

← NPS is at Taylor!

← irrelevant, Not a source of State revenue. Since commercial fishing is non a questionable source of income.

← again!

← strike roadhouse (there are none!)

← one single owner

← The glass company is no longer in business

← again, another redundancy. The lodge is also part of the RV campground & owned by same person

1 provides some cash income in fish guiding and other services. Two residents
2 hold commercial fishing permits. Many villagers participate in subsistence
3 activities year-round.

4
5 **Nelchina.** The Little Nelchina State Recreation site at mile 137.6 offers camping
6 and a boat launch. The Nelchina Trail store and Cabins offers convenience items
7 and snowmachine support.

8
9 **Tolsona.** A roadhouse, liquor and convenience store, wilderness campground
10 and RV park are located in the area. Area lakes provide good trout fishing and
11 ice fishing for burbot in winter.

*Strike last
sentence, it is not
relevant to study.*

12
13 **Subpart (e) Glacier Bay Model Borough.** The Glacier Bay model boundaries
14 extend from northern Chichagof Island to Cape Fairweather. The economic base
15 of the region includes fishing, logging and tourism. Hoonah is the largest Tlingit
16 village in Alaska, located on the northeast shore of Chichagof Island. Hoonah's
17 economy is influenced by commercial fishing, logging and subsistence activities.
18 Pelican and Elfin Cove are involved in commercial fishing. In Tenakee,
19 commercial fishing is a source of income and tourism is now growing with the
20 108-degree hot springs and kayaking as the primary tourism focus. Gustavus sits
21 on the north shore of Icy Passage at the mouth of the Salmon River. Gustavus is
22 primarily a tourist community, supported by the nearby Glacier Bay National
23 Park. Regulations limit the number of boats entering Glacier Bay to protect the
24 humpback whales and other marine mammals that frequent the area.

25
26 The Glacier Bay Model Borough Boundaries encompass six settlements. These
27 are: Pelican (population 163); Whitestone Logging Camp (population 116);
28 Gustavus (population 429); Tenakee Springs (population 104); Hoonah
29 (population 860); Elfin Cove (population 32); and Game Creek (population 35).
30 Brief descriptions of land use and development in each of the Glacier Bay Model
31 Borough localities follows:

32
33 **Pelican.** Commercial fishing and seafood processing are the mainstays of
34 Pelican's economy. 41 residents hold commercial fishing permits. Most
35 employment occurs at Pelican Seafoods, which also owns the electric utility, a
36 fuel company and store. In February 1996, the plant was closed. It was
37 subsequently purchased by Kake Tribal Corp. and re-opened during the summer
38 of 1996, employing over 60 persons during the peak season. The plant
39 processes salmon, halibut, sablefish, rockfish, and dungeness crab.

CITY OF COFFMAN COVE**RESOLUTION 03-15****A RESOLUTION OPPOSING THE MANDATORY FORMATION OF THE PRINCE
OF WALES BOROUGH**

WHEREAS, Coffman Cove became a second class city in 1989 and is presently working on infrastructure with only a small, part-time city government, and

WHEREAS, our local economy has suffered with the downturn in the logging industry, and

WHEREAS, land did not become available for purchase until the early 90's making Coffman Cove a very young community, and

WHEREAS, Coffman Cove has a vision of a small community with basic services and a diverse economy, and


WHEREAS, Coffman Cove has a very expensive water and sewer system the residents must support, and

WHEREAS, the tax base required for running a borough government would cripple an already economically depressed population, and


WHEREAS, the local sentiment is to pay a school tax but is against a borough government,

NOW THEREFORE BE IT RESOLVED THAT the Coffman Cove City Council opposes the mandatory formation of a borough government for Prince of Wales Island.

PASSED: February 13, 2003



Gary Wilburn, Mayor

Attest: 

Jennifer Adamson, City Clerk

Local Boundary Commission

From: "Don Quarberg" <dmq@wildak.net>
To: <lbc@dced.state.ak.us>
Sent: Thursday, February 13, 2003 4:56 PM
Subject: Tanana Basin Borough Comments

I have serious doubt that the Economic strength of the suggested Tanana Basin Borough can support itself. I find it difficult to understand why we have to support another level of parasitic government in order to contribute to our education funding. Senator Gary Wilkins thinks this is the only way - why not reinstate the "School Tax" on residents living outside organized boroughs?

What does the Tanana Basin Borough have for an Economic base:

- 1: Alyeska Oil Pipeline and Pump Station #9. Doesn't the State already collect on the value of these facilities, and wouldn't the State Lose that revenue if it were to be collected by a new borough? In other words aren't we "robbing Peter to pay Paul"? Sounds like a lose - lose situation, the State loses revenue and we are forced to create a saprophytic government (Administrative costs) to collect that money and support the school, which in turn results in less total money for education.
- 2: Pogo Mine. It is still questionable how long that will operate (11 years Max we are told). Is that sound business judgment to create an entire borough on one gold mine?
3. Agriculture. The agriculture economy is so weak that any tax would simply kill it entirely.
4. Forestry. This industry is in no better economic condition than is agriculture.
- 5 Tourism. What tourist attraction exists in this proposed borough - none - other than the fact that those traveling up the Alaska Highway would have to pass through it on their way to Fairbanks, Anchorage, Valdez, Seward, Homer, Denali or wherever.

That's it! Would invest in a borough given these risky or short term ventures. Enact a school tax and spare us the burden of another layer of inept government!

Sincerely, Don Quarberg, HC 60 Box 3070, Delta Jct. AK 99737

CITY OF PORT ALEXANDER

P.O. Box 8068 Port Alexander, AK 99836 907/568-2211 Fax 907-568-2207

Resolution 03-02

A RESOLUTION OF CONCERNS ABOUT THE BOUNDARY COMMISSION MODEL BOROUGH

WHEREAS: Port Alexander is a centrally located and isolated small community with affiliations in most larger towns in Southeast Alaska for purposes of legislative districting, judicial districting, mail and transportation services, school administration, emergency planning, and emergency services support; and

WHEREAS: The economic parameters of Port Alexander are based (in order of dominance) on fishing, tourism, city operations, education, and various single operator services and cottage industries; and

WHEREAS: Other communities in the proposed Southeast Island model borough appear to be focused on tourism and forest industries; and

WHEREAS: Those communities have developed with the growth of the Tongass National Forest logging industry; and

WHEREAS: Port Alexander developed initially with the fishing industry and more recently with the perceived opportunities for a subsistence lifestyle; and

WHEREAS: The original incorporation of our community into the Southeast Island School District (the apparent boundary model) was by default due to the inherent problems or inappropriateness of service by the Chatham School District; and

WHEREAS: The single validly uniting parameter of the model borough recommendation is the existence of a "common waterway" connecting the various communities is at best weak and presents the same opportunities of borough union with any of a number of communities.

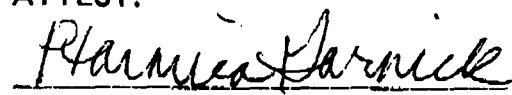
THEREFORE, BE IT RESOLVED THAT: Port Alexander wishes to remain in the unorganized borough; believes that the grouping of towns in the "unorganized" borough still has merit; is probably appropriate for many Alaska towns; and that the proliferation of additional layers of government is not necessarily a positive growth in all cases.

ADOPTED this 13th day of February, 2003, at a Port Alexander City council meeting.



David D Wallen, mayor

ATTEST:



Ptarmica Garnick, city clerk

PO Box 19326
Thorne Bay, AK 99919
907-209-0578
February 11, 2003

Local Boundary Commission
550 West 7th Ave., Suite 1770
Anchorage, AK 99501-3510

RE: Written comments on the standards of Borough Incorporation for the proposed Prince of Wales Model Borough

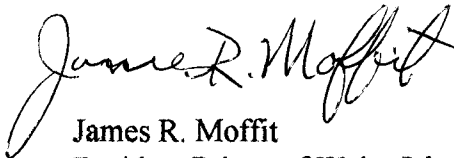
We have been in Ketchikan for several weeks we have just heard about the draft report of the LBC. We will therefore only be able to give you our opinion at this writing since there is not time to gather hard data. There is no doubt that recent information on economic conditions for Prince of Wales Island would indicate the economic viability of a borough government is beyond the realm of practical possibility.

The primary reason (70-80%?) for the economic health of the 1970's and 1980's was the timber industry/harvest. That has collapsed with the restriction on the sale of National Forest timber, cancellation of the Ketchikan Pulp Long Term sale, and cessation of timber cutting on native corporation lands. That activity in the past provided the lions share of year around jobs that provided a family a living wage. With this leg of the economy severed there is no way to generate enough tax revenue to support a borough government.

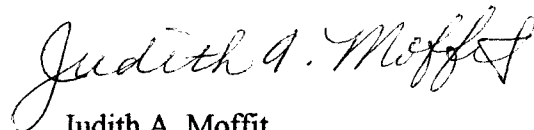
We believe that current data would support the opinions expressed above. We will be meeting with other residents of Thorne Bay in the near future to gather hard facts relevant to accurate and current information on economic conditions of the Prince of Wales community.

At this point be advised we are totally against the formation of a borough government on Prince of Wales Island.

Sincerely,



James R. Moffit
Resident Prince of Wales Island



Judith A. Moffit
Resident of Prince of Wales Island

Patricia M Hutchinson

PO Box 354

Alamogordo, ID 83851

Feb 13, 2003

208 686 9156

Local Boundary Commission

550 West 7th Ave, Suite 1700

Anchorage, AK 99501-3510

Local Boundary Commission

Comments: regarding Public Hearing Unorganized Borough
Review Pursuant to Chapter 53, SLA 2002

In 1982 we purchased our house for \$60,000. For
two years we haven't been able to sell it at a lower price.
Tok can't support a borough.

After 18 years in Tok, we relocated due to family
illness, and are still paying a mortgage there. We lowered
the price, hoping for a quick sale. We still have partially
developed land in Tok. In a viable economy, a home,
with improvements should be increasing in value. Tok
does not have a viable economy.

Your notice in the Nukluk News does not state
"Comments received after Feb 6 and by Feb 14..." must be in
writing. I submitted my comment via telephone on
Feb 13, 2003 to Dan Brocke horst of LBC. I am
following up by letter. My Tok house is at Jackie Circle
(no street numbers) adjacent to Ak Hwy mile 13 1/2.
Living in a small rural community, I do not have access to E-mail
or Fax at this time 5³⁰ PM Pacific Time.

Patricia M. Hutchinson

P.S. It was a bureaucratic nightmare finding the right person to talk to.



Resolution 03-03

A Resolution of the Wrangell Public School Board Supporting Home Rule and First Class Municipalities to Form Single Site Boroughs

Whereas, the framers of the Alaska constitutional provisions for boroughs clearly envisioned that single community boroughs might be formed; and

Whereas, the legislature, in enacting standards for boroughs, did not require two communities; and

Whereas, several single-site community boroughs are now in existence and are effectively delivering services; and

Whereas, the Alaska constitution clearly provides for a minimum of local government units and prevention of multiple tax levying jurisdictions;

NOW, THEREFORE BE IT RESOLVED that Wrangell Public Schools supports and encourages the legislature to amend AS 29.05.060 to permit home rule and first class cities to initiate borough or unified municipalities without requiring the signatures provided for in subsection (7)(a) and (7)(b).

NOW, THEREFORE BE IT FURTHER RESOLVED that Wrangell Public Schools is strongly opposed to the recommended model borough boundary area of Wrangell-Petersburg for the following reasons:

1. The City of Wrangell is willing to expand its boundaries to include those adjacent areas for administration of land use regulations.

2. The residents of the Incorporated City of Wrangell currently pays the highest rate of sales tax of any Community in Alaska, of which 24% goes to support schools. The City of Wrangell has a mill rate of 10 mils and 36% collected by the City goes to support schools, including 95% of all timber receipts received by the Federal Government. In 2003 the City of Wrangell will contribute more than \$1,332,152 (which is slightly more than the maximum allowed by the Department of Education) to Wrangell Public Schools and amounts to \$577 (based on their population figures) annually for every man/woman/child in our Community. This does not include the several bond issues passed over the last few years to support our schools.
3. An additional layer of government imposed by a Wrangell-Petersburg Borough would add an additional burden of cost to its citizens. These costs would not result in better service nor reduced costs to the taxpayer or to the State of Alaska.

**ENACTED THIS 10th DAY OF February, 2003.
Wrangell, Alaska**

Janell R. Privett
School Board President

2-11-03
Date

Pamella McCloskey
School Board Secretary/Treasurer

2/12/03
Date

Wrangell School Board Members:

Tonnie Barlow
Georgianna Buhler
Rick Groshong
Pam McCloskey
Janell Privett

Susan J. Sciabbarrasi, Superintendent

CITY OF WRANGELL

RESOLUTION NO. 02-03-942

A RESOLUTION OF THE COUNCIL OF THE CITY OF WRANGELL, ALASKA, REQUESTING A REVIEW BY THE LOCAL BOUNDARY COMMISSION REGARDING THE ESTABLISHMENT OF A UNIFIED MUNICIPALITY FOR THE CITY OF WRANGELL, ALASKA, IN LIEU OF THE RECOMMENDED REGIONAL WRANGELL-PETERSBURG BOROUGH

WHEREAS, the State of Alaska, Local Boundary Commission through Chapter 53, SLA 2002 has preliminary recommended a model borough boundary area of Wrangell-Petersburg.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF WRANGELL, ALASKA, that the City of Wrangell is strongly opposed to this recommendation for the following reasons:

Sec. 1. The City of Wrangell is willing to expand its boundaries to include those adjacent areas for administration of land use regulations through formation of a unified Wrangell Borough corresponding roughly to the area of the USDA/Wrangell Ranger District.

Sec. 2. The residents of the incorporated City of Wrangell currently pay the highest rate of sales tax of any community in Alaska, of which 24% goes to support schools. The City of Wrangell has a mill rate of 10 mils and 36% collected by the City goes to support the schools, including 95% of all timber receipts received by the Federal Government. In the FY 2002/2003, the City of Wrangell will contribute \$1,332,152 (which is slightly more than the maximum allowed by the Department of Education) to the Wrangell School District and amounts to \$621.33 annually for every man/woman/child in our community. This does not include the several bond issues passed over the last few years to support our schools.

Sec. 3. The Alaska Constitution clearly provides for a minimum of local government units and prevention of multiple tax levying jurisdictions. An additional layer of government imposed by a Wrangell-Petersburg Borough would add an additional burden of cost to its citizens. These costs would not result in better service nor reduced costs to the taxpayer or to the State of Alaska.

ADOPTED: _____ February 11 _____, 2003

Bruce E. Harding
Bruce E. Harding, Mayor

ATTEST: Christie L. Jamieson
Christie L. Jamieson, City Clerk

2-10-03
PO Box 18052
Coffman Cove, AK 99918

Local Boundary Commission
Anchorage, AK

Dear Commission Members:

I testified on Saturday Feb.8 as the former Mayor of Coffman Cove and former Southeast Island School Board Member. I was asked some questions by one of the commission members regarding the island of Prince of Wales. It made me realize that maybe the commission does not have a good grasp on what our area of the state is like. Since our state is so big it is like comparing Indiana with Alabama. If you have never been there a person would not realize how different they are.

Prince of Wales was very sparsely populated until the logging started in the 50's. A number of logging camps turned into communities. During the logging era most people on the island lived in company housing. The land was owned by the US Government. Since then communities have had local land sales. This has taken place in the last 10-15 years. These are developing communities. Craig has the most local government of any of the communities. Kasaan and Klawock are native communities that have a large percentage of non-native residents. I am not sure about the land ownership in their communities. I know Klawock has some private land available. Hydaburg is a very native community with a few non-natives living there. They are similar in makeup to Metlakatla. The island is mostly US Forest Service land with very large tracts of native corporation holdings, mental health, State and University of Alaska land, all non-taxable.

When the logging was at its best, there were good jobs available and the money was flowing, most people did not own land. Now that the logging has all but stopped, the people who are left are here by choice, and struggling to build a life after logging. They have been forced by the closure of the camps to buy land and build. It has been tough. Craig had an advantage because they started earlier. We can barely support our local governments. It would be really tough to support another layer of government at this time with more rules and regulations. The older communities have a resident population that includes commercial fishermen. This industry has been hard hit by low fish prices and closures of the canneries. The island is getting a large summer population of people who come up and commercial fish, charter fish or vacation. They all leave as soon as the summer is over making it even harder for small communities to survive. This is what we are doing right now; surviving. We can't support a borough government, bonds, assessments or anything else.

What seems to be driving this forced borough is the four school districts on the island, and the fact the REAA communities do not pay school tax. We do support our schools. We have fund raisers for activities and travel that the schools in the big population areas

do not have to pay since they collect taxes for their schools. There is a strong sentiment around the island that we would be willing to pay some sort of a fair and equitable school tax. Craig and Klawock already support their school with local revenues. Perhaps it is time to think seriously about consolidating some school districts and services. The fear is that the local communities will be forced to bus their kids for hours at a time to the larger communities, specifically Craig. If we could guarantee this would not happen as long as the enrollment is above 10, we could probably work towards this end. It is a much better solution than a borough. Maybe in 10-20 years a borough would make sense, but not now.

These are my personal viewpoints. I am active on the Prince of Wales Island Community Advisory Council, the Health Advisory Council and work as the Projects Manager for the City of Coffman Cove. This subject has been discussed for years on the island. I would be very happy to answer any questions or clarify anything you do not understand about our area. I lived in Wrangell, Haines, Kodiak and Anchorage before settling here 23 years ago. I know how different this state is from one region to another, and I understand you have been directed to undertake this project. I hope your recommendations will be based on all factors and not just the opinions of some legislators with a personal agenda. I think you will agree that we need to make some changes, but the formation of a borough is not the answer at this time.

Feel free to call me at 329-2232 anytime. Thank you.

Elaine Price

RECEIVED

FEB 13 2003
LEGISLATIVE COMMISSION
LOCAL BOUNDARY COMMISSION

Lester L. H. J.
HC 60 Box 4846
Delta Junction, AK 99737

Legislative Boundary Commission
550 W. 7th Ave. Suite 1970
Anchorage, AK 99501-3510

12 Feb. 2003

Dear Sir,

Please, again, read Article X, Section 1. of the Alaska State Constitution

"The purpose of this article is to provide for Maximum local self-government with a minimum of local government limits, and to prevent duplication of tax levying jurisdictions."

I think this says it all and I am unaware of any change having been made to the Constitution.

The Upper Tanana area is not ready, or able, to support a Borough at this time - so please don't ruin our lives by making us pay large taxes from which we will reap absolutely no benefits.

We are willing to help pay for the Delta School District but we hope that it will be by a means as set forth in Article VII of our Constitution which says "Public Education: The legislature shall by public law establish and maintain a system of public schools open to all children of the State". We hope this means that the State will pass a law that is Statewide in application - whether or not an area is within an Organized or an Unorganized Borough. Everyone Pays.

One way to accomplish this is to take X number of dollars out of each and every Permanent Fund Check. In this way all Alaskans pay, including the children, and not just the Property Owners or those who work for a wage. Sincerely,

Lester L. H. J.

February 10, 2003

To Whom It May Concern:

The Wrangell School Board and the City of Wrangell lobbied on behalf of the following statements to the Alaska Legislature in February 2003:

Voluntary incorporation of a unified municipality is preferable to the potential alternative of having a different borough government imposed upon residents by the state or leaving regions in the unorganized borough.

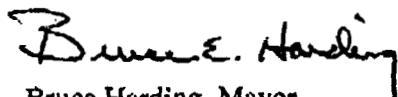
The framers of the Alaska constitutional provisions for boroughs clearly envisioned that single community boroughs might be formed; the legislature, in enacting standards for boroughs, did not require two communities; and several single-community boroughs are now in existence and are effectively delivering services. Whatever sense might be made for imposing such a multiple community presumption upon a broader, regional-type borough, the Local Boundary Commission should examine the merits of relaxing the presumption when reviewing a proposal to form a unified municipality – a sub-species of borough traditionally associated with a dominant urban center. A unified municipality would run at cross-purpose with the constitutional goal of encouraging creation of boroughs. Additionally, the Alaska constitution clearly provides for a minimum of local government units and prevention of multiple tax levying jurisdictions.

Requested Action:

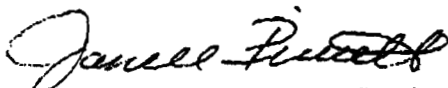
Amend AS 29.05.060 to permit home rule and first class cities to initiate borough or unified municipalities without requiring the signatures provided for in subsection (7)(a) and (7)(b).

School Board President Janell Privett read this statement into the record on Saturday, February 8 at 2:00 p.m. during the teleconference regarding Unorganized Borough Review hosted by the Local Boundary Commission. She also included support of home rule and first class municipalities to form single site boroughs (unified municipalities). In addition, she stated opposition to Model Borough Formation as indicated by the Local Boundary Commission.

Sincerely,



Bruce Harding, Mayor
City of Wrangell



Janell Privett, School Board President
Wrangell Public School Board

November 10, 2003

Sharon Sprague
P O Box 567
Petersburg, AK 99833
907 772-3660
Fax 907 772-3320

AK Local Boundary Commission
550 W 7th Ave #1770
Anchorage, AK 99501-3510
Fax 907 269-4539

Re: comment on borough formation
Public Hearing Feb 8, 2003

As a resident of the City of Kupreanof I am opposed to borough formation.

This procedure only adds one more layer of taxation burden upon the public. With the Majority of our communities so far apart geographically no benefits are gained.

More specifically for our Kupreanof area- the life style of our community does not depend on the benefits of city government. If it does we go into the cities of Juneau or Petersburg and pay our fair share.

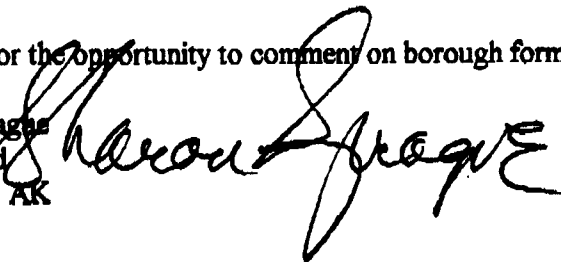
The City of Kupreanof has a life style and Planning and Zoning Ordinance that does not Come under the philosophy of Petersburg.

The children in our community and the outlying unorganized school district are covered by a tuition fee from SE Island School District.

Again, borough requirements do not provide further amenities, only burdens of taxation and zoning conflicts.

Thankyou for the opportunity to comment on borough formation.

Sharon Sprague
Sasby Island
Kupreanof, AK



February 10,2003

Kevin Waring, Chairman
Local Boundary Commission
State of Alaska
Anchorage, AK

RE: Unorganized Borough Review - Public response

Dear Local Boundary Commission,

We are concerned citizens of Tok, Alaska. Many of our talking points will be directed to this area as a community to be incorporated into the Upper Tanana Basin Model. First, We want to thank you for the time the commission has taken to receive public comment. We agree there was not sufficient time given to receive, interpret and respond to the report. We feel that commission did what it could, given instructions from the legislature. It was the legislature that put the time constraint on all and to what appears an attempt try and circumvent a timely public process on the issue. So thank you for what you did allow.

We am not totally opposed the being in a borough and not opposed to paying my fair share. But, there still is a vast amount of information that needs to be addressed before we would say that we are ready for this big step.

Although from what we have read in the current report there appears to be sufficient reason to incorporate and not to incorporate. The report is not as thorough as the prior reports that the commission has done, such as the Delta-Greeley Report-1989, Copper River Basin –1989, and the Tanana Chiefs Region-1989.

The report does not address exactly what lands will be available to the boroughs, where the borough seat will be and how all the communities will be represented fairly.

The report does not address any checks and balances that once we are formed, we could substantiate life after the initial phases without additional taxes if the pipeline would be shut down.

The report does not address how legislators would increase such things as funding for better roads and police protection. Currently we have no control of obtaining fair funding in rural areas for critical State agencies such as DOT and DPS. Most of the monies and manpower for these agencies are still given to the incorporated areas. How do we fight the ever-growing drug problems in our rural communities when DPS has all but shut down funding for drug enforcement and what funding there is, remains in the organized areas. LBC report addresses the issues of alcohol control, but not drugs.

How is the state going to implement plans to allow and increase development of natural resources that would benefit boroughs without federal control? As of this date more monies are spent on wildlife protection and environment protection than is spent on the human element.

According to your figure the unorganized borough contains an estimated 374,843 square miles-57 percent of the total area of Alaska. The one thing that the State of Alaska has failed to consider in the plan since statehood and the Mandatory Borough Act is the impact that Alaska National Interest lands Conservation Act (ANILCA) has had on the unorganized areas. I would like to know exactly how much non-native, State land or federal land will be accessible to each new Borough. Just in the Tok area, Ahtna Incorporated (Mentasta) received 69,120 acres, Northway Village 115,200 acres, Tanacross-92, 160 acres and Tetlin is 743,159,22 acres.

Under ANCSA 14(c)(3), villages must reconvey surface estates to the local city government to provide for community use and expansion, but is this really going happen?

Prior to 1991 amendments, forming boroughs represented a major threat to the lands retained by the Native people under the Alaska Native Claims Act (ANCSA). Historically, nationwide, native lands have been lost because of taxes. Much of the native land received by ANCSA does not produce any revenue and many village corporations' lands would be lost through tax foreclosure by any form of local government.

Congress did enact amendments to the ANCSA which continued tax exemptions for the Native undeveloped corporate lands indefinitely by 1991, but this does not mean that it cannot be repealed somewhere in the future?

How would the issue of native village council's government be address in boroughs?

ANILCA created new conservation system units in Alaska totaling more than 150 million acres. This represents 40 percent of the entire State land area and more than a third of these lands, or 57 million acres has already been set aside as Wilderness Designations. The past reviews were completed in 1980 and no President since has made a recommendation on release. Once an area is identified for wilderness, or wild and/or scenic river studies, BLM manages it. The entire study area remains under BLM's control until Congress acts to release it.

Just outside of Tok towards Glenallen, Wrangell - St Elias, the largest unit of the National Park System, was established as a national park and preserve Dec. 2, 1980. It was Wilderness designated Dec. 2, 1980, and designated a World Heritage Site on Oct. 24, 1979. This is not even Alaska land anymore.

Once again BLM is requesting to close down more land in Alaska for wilderness reviews. This is currently under Federal review. The last President, on his way out closed down many of our logging operations in South East Alaska because of the federal lands issue.

Tok is boxed in on all sides by Tanacross, Tetlin, and Mentasta land. Also, there are mental health lands that surround us. Where do we grow to for any future commercial/ economic development?

In your report you addressed the year 2000 census for the purpose of justifying Boroughization. In that regard, as a census supervisor, I would like to address Tok's census figures.

Tok's population is 1,393 with 821 people of the working age 18-62. Of these, 518 are employed. The number of unemployed Adults in the community seeking work is 366. Of the ones working, 268 are private wage workers, 82 are self-employed and 153 are government workers (state & federal). Of those most are teachers.

There should be databases within the State that shows how many people are Receiving State aids within each of these communities. That would very helpful in considering taxation and community income.

The total number of housing units in Tok are 748. Of those, 534 are occupied. 20.6 percent lack complete inside plumbing and 21 percent lack complete kitchens, stoves, or running water. The average cost of housing was estimated at \$76,000.00. Census takers are not authorities on home values, but rather are trained to ask questions and record answers. The census people just wrote down what they what told. This is not a fair market value of real estate for the area if you were considering appraising these homes for taxes for the purpose of Borough taxation. These figures only get worse in the surrounding communities, except for Delta Jct..

Tok's current power rates are the most expensive in the State, at 23-29 cents per kilowatt. The State's Power Equalization Cost paying less than half of what we are being charged for fuel rate on power. Local businesses receive no PEC discount. How does a community entice new business into the area when exorbitant power rates exist there? Any good businessman will look at costs and the labor market before moving into an area.

Chapter three of the report states that Boroughs would get:

1. State Revenue Sharing funds
2. National Forest receipts would then go to the borough instead of the REAA.
3. Payment in lieu of taxes, Delta and Eagle split the monies that are received.
4. Safe Community Program would be an extra.
5. Fisheries Business Tax, we are a non-fishery area.
6. Fisheries landing Tax, we are a non-fishery area.
7. Alaska Coastal Management, are we a coastal district?
8. Capital Matching Grants, would then go the borough not the communities.

We, the communities currently receive funds from most of these eight programs in small portions, as do each of the native community councils. Would the amount of revenues

currently being received from these programs change from what each community is receiving now?

Is there a plan that will ensure that each community will receive at least as much funding as it does now, after Boroughization? What redress does a small community have if the distant Borough seat re appropriates it's meager funding?

The Legislature says that the State is in a financial crisis at present. Each new Borough is to receive \$600,000.00 in State funds over three years, to organize. The major purpose of Boroughization is for the Boroughs to pay 30% of its school costs. How would the few dollars that Borough taxes could raise in rural areas make up for the cost the state is mandated to pay each borough to form?

Reasonable utilities, and other business related expenses along with natural resource development should be explored and rectified prior to Borough organization.

In one of the chapters I read about the amount of monies that is put into the permant fund vs the monies that are put into education. Numerous States and indeed, Countries worldwide have organized lotteries. Successful lotteries pay for education, and several other needed public functions. There are those who oppose "gambling". To them I say, "They are not obligated to participate". There are also those, especially in our rural areas who simply cannot afford to pay property tax. Indeed, such a tax will mean that these people (many of whom are our beloved veterans) will lose their property to the Borough. They will then be homeless. And this, without a choice. One only has to look at the revenues that some non-profits currently receive from pull-tabs.

Thank you listening to us.

Debbie Muir
J.D. Muir
P.O. Box 333
Tok, AK 99780

Local Boundary Commission

From: "Paul K Matter" <pmatter@fs.fed.us>
To: <LBC@dced.state.ak.us>
Cc: "Paul K Matter" <pmatter@fs.fed.us>
Sent: Tuesday, February 11, 2003 12:28 PM
Attach: Borough FormationComments 030210.doc
Subject: Comments on borough formation in the Icy Straits area.

Attached are my personal comments on borough formation in the northern SE Alaska area. Please forward them to the commission and make them a part of the record. Thank you for the opportunity to comment.

(See attached file: Borough FormationComments 030210.doc)

Paul K. Matter
Hoonah District Ranger
Tongass National Forest, Alaska Region
E-mail: pmatter@fs.fed.us
Phone: (907) 945-1209, Fax (907) 945-3385

Local Boundary Commission
550 West, 7th Avenue, Suite 1770
Anchorage, AK 99501-03510

February 11, 2003

Subject: Borough Formation for Cross Sound, Icy Straits, Lynn Canal, And Chatham Straits areas.

Dear Sir/Madam

I have lived in SE Alaska for twelve years and been a resident of Hoonah for the last five years. I am the Hoonah District Ranger on the Tongass National Forest and am well acquainted with all the communities of the northern SE Alaska. The following comments are mine alone and do not represent the position of the Forest Service.

Although the communities in the Northern Tongass are unique, each having its own industries, people and political forces, we all share the same marine waterways and the surrounding forests. Our communities futures are bound together whether we like it or not and cooperation will be the keystone for a prosperous future.

The best way for the small communities of northern Southeast Alaska to influence our future and protect our communities is to come together with a strong borough government. This will not be a popular position in some communities for a variety of reasons, the biggest reason being fear, the fear of having their communities wishes ignored, fear of taxes, fear of restrictions, fear of losing economic advantage, fear of losing control etc. I have the opposite view, I fear a future without any ability to effect the immediate world around us. I believe we need a locally elected representative form of borough government to protect and promote our communities interests and have a strong regional voice. If we don't govern ourselves, others will govern for us.

Logical borough boundaries are needed. The State and region would be better served if borough boundaries were redrawn and all communities and lands were in logically borough units with reasonably populations and land size. Boroughs should be large enough to encompass multiple communities with similar interests and overlapping land use. In addition, boroughs need to be large enough to stimulate a variety of economic benefits and options for revenue generation. Large multi community boroughs will have the influence necessary to tackle the tough issues of growth, land use, taxation and equitable schools funding. To best serve the region several of the existing boroughs should be modified. Huge borough land areas serving single communities are not logical and unfairly take resources away from nearby small communities. Small rural communities are more dependent on borough governments and rural lands than larger cities and should have generous amounts of land within the boundaries of their boroughs.

I recommend all northern SE Alaska small communities (Pelican, Elfin Cove, Gustavus, Hoonah, Angoon, Excursion Inlet, Haines and Skagway be in one borough. The land area should include all Glacier Bay National Parks lands that drain into Cross Sound or Icy Strait), Admiralty Island, Chichagof Island north of a line thru Peril Strait to North arm of Hoonah Sound then follow the Hoonah Sitka Ranger District boundaries the Gulf of Alaska. The west side of Lynn Canal from Icy Strait to Skagway

and east side north of Berners Bay should also be part of this borough. Having several diverse communities in the borough will keep any one from having an overly large influence and require cooperation among elected representatives.

If the proposed borough in the above paragraph is politically unacceptable, then shrink it down to the communities on both sides of Cross Sound and Icy Straits (Pelican, Elfin Cove, Gustavus, Hoonah and Excursion Inlet. Tenekee Springs and Angoon should also be considered for this borough. These communities all share the same lands and waterways for business, subsistence and recreation and have the potential to impact each other, therefore are ideally suited to work together in one borough. Glacier Bay National Park, all of Hoonah Ranger District and the southern end the Chilkat Range to St. James Bay should be within the borough boundary, Admiralty Island and SE Chichagof too if Angoon and Tenekee are in this borough.

The best decisions on borough units will not be easy and will not be popular with some of the communities or residents. I encourage you take bold actions, to do what is best for the long term. Decisions on borough formation and changes will only get more difficult in the future. The political pressures will be great to leave the existing boroughs boundaries alone and only look at the unorganized areas and towns, but this would be a mistake in the long run.

Good luck in your endeavor.

/S/ Paul Matter

CITY OF KUPREANOF ALASKA

Post Office Box 50
Petersburg, Alaska 99833
November 11, 2003

AK Local Boundary Commission
550 W 7th Ave #1770
Anchorage, AK 99501-3510
Fax 907 269-4539

Re: Comment on Borough Formation
Public Hearing Fed. 8, 2003

To whom it may concern:

As the Mayor of the City of Kupreanof and in behalf of the residents of the City of Kupreanof I will express our opposition to the formation of a borough. This formation would dilute our chosen lifestyles through the Planning and Zoning changes.

It would also add a tax on property owners above and beyond the yearly donations made by our sister communities for residents usage.

A tuition from Sitka School District is paid into the Petersburg School District at this time for any student in the community attending their public schools.

Thank you for the opportunity to comment.

CITY OF KUPREANOF



Richard E Sprague, Mayor

February 10, 2003

To Whom It May Concern:

The Wrangell School Board and the City of Wrangell lobbied on behalf of the following statements to the Alaska Legislature in February 2003:

Voluntary incorporation of a unified municipality is preferable to the potential alternative of having a different borough government imposed upon residents by the state or leaving regions in the unorganized borough.

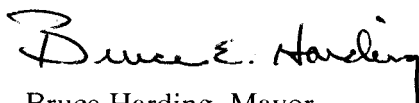
The framers of the Alaska constitutional provisions for boroughs clearly envisioned that single community boroughs might be formed; the legislature, in enacting standards for boroughs, did not require two communities; and several single-community boroughs are now in existence and are effectively delivering services. Whatever sense might be made for imposing such a multiple community presumption upon a broader, regional-type borough, the Local Boundary Commission should examine the merits of relaxing the presumption when reviewing a proposal to form a unified municipality – a sub-species of borough traditionally associated with a dominant urban center. A unified municipality would run at cross-purpose with the constitutional goal of encouraging creation of boroughs. Additionally, the Alaska constitution clearly provides for a minimum of local government units and prevention of multiple tax levying jurisdictions.

Requested Action:

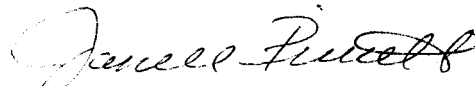
Amend AS 29.05.060 to permit home rule and first class cities to initiate borough or unified municipalities without requiring the signatures provided for in subsection (7)(a) and (7)(b).

School Board President Janell Privett read this statement into the record on Saturday, February 8 at 2:00 p.m. during the teleconference regarding Unorganized Borough Review hosted by the Local Boundary Commission. She also included support of home rule and first class municipalities to form single site boroughs (unified municipalities). In addition, she stated opposition to Model Borough Formation as indicated by the Local Boundary Commission.

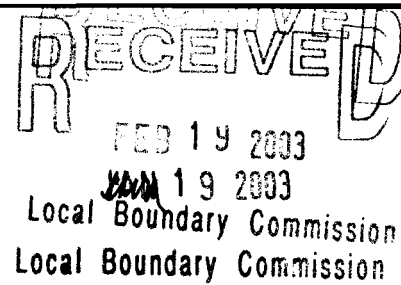
Sincerely,



Bruce Harding, Mayor
City of Wrangell



Janell Privett, School Board President
Wrangell Public School Board





**WRANGELL
PUBLIC SCHOOLS
DISTRICT OFFICE**

GATEWAY TO THE STIKINE

P.O. BOX 2319
WRANGELL, ALASKA 99929
Telephone (907) 874-2347
Fax # (907) 874-3137

Resolution 03-03

**A Resolution of the Wrangell Public School Board Supporting Home Rule
and First Class Municipalities to Form Single Site Boroughs**

Whereas, the framers of the Alaska constitutional provisions for boroughs clearly envisioned that single community boroughs might be formed; and

Whereas, the legislature, in enacting standards for boroughs, did not require two communities; and

Whereas, several single-site community boroughs are now in existence and are effectively delivering services; and

Whereas, the Alaska constitution clearly provides for a minimum of local government units and prevention of multiple tax levying jurisdictions;

NOW, THEREFORE BE IT RESOLVED that Wrangell Public Schools supports and encourages the legislature to amend AS 29.05.060 to permit home rule and first class cities to initiate borough or unified municipalities without requiring the signatures provided for in subsection (7)(a) and (7)(b).

NOW, THEREFORE BE IT FURTHER RESOLVED that Wrangell Public Schools is strongly opposed to the recommended model borough boundary area of Wrangell-Petersburg for the following reasons:

1. The City of Wrangell is willing to expand its boundaries to include those adjacent areas for administration of land use regulations.

2. The residents of the Incorporated City of Wrangell currently pays the highest rate of sales tax of any Community in Alaska, of which 24% goes to support schools. The City of Wrangell has a mill rate of 10 mils and 36% collected by the City goes to support schools, including 95% of all timber receipts received by the Federal Government. In 2003 the City of Wrangell will contribute more than \$1,332,152 (which is slightly more than the maximum allowed by the Department of Education) to Wrangell Public Schools and amounts to \$577 (based on their population figures) annually for every man/woman/child in our Community. This does not include the several bond issues passed over the last few years to support our schools.
3. An additional layer of government imposed by a Wrangell-Petersburg Borough would add an additional burden of cost to its citizens. These costs would not result in better service nor reduced costs to the taxpayer or to the State of Alaska.

**ENACTED THIS 10th DAY OF February, 2003.
Wrangell, Alaska**

Janell R. Privett
School Board President

2-11-03
Date

Pamella McCloskey
School Board Secretary/Treasurer

2/12/03
Date

Wrangell School Board Members:

Tonnie Barlow
Georgianna Buhler
Rick Groshong
Pam McCloskey
Janell Privett

Susan J. Sciabbarrasi, Superintendent



CITY OF SKAGWAY

GATEWAY TO THE GOLD RUSH OF "98"

P.O. BOX 415, SKAGWAY, ALASKA 99840

(PHONE) (907) 983-2297

(FAX) (907) 983-2151

2-10-03

Dan Bockhorst
LBC

RE: Remarks to draft

Dan,

Please forward these concerns to the commission for their consideration

1. Chapter 2 Part 5 Article X, section 12. Boundaries.

There is reference to statewide considerations. I ask that the commission expound on the following.

- A. What are they specifically?
- B. How were they formulated (supporting info)?
- C. How are they applied?

2. Pg. 24 lines 21-37 should be removed.

3. Pg. 39 lines 18 -39 including supporting footnotes 33,34,35 should be removed.

- Any reference to the Skagway petition in this document needs to be removed because that petition is still in the appeals process. Therefore, information on this petition should not be included in this document until the matter has been resolved. Accepting it as part of this document will circumvent the public process!

4. Pg. 40 -41 need to be deleted.

- The supporting data that is offered by staff does not paint an accurate picture of economic reality in the communities that have experienced declining economies. For instance how much of the growth is the result of federal money that has been funneled into the state by our representatives in Washington
- In addition, the staff's analysis of the resolution that was passed at AML and Southeast conference does not accurately reflect the intent of the resolution. The Quote as referenced "Dramatically declined" line 13 pg.41 should have also included "and changed" Skagway for instance has experienced incredible economic growth. The intent of the resolution is to ask the Legislature to look at the state as it exists today and analyze if there is a need for change in the model Borough boundaries or the incorporation standards.

5. Pg. 42 lines 1 through 11 need to be deleted.

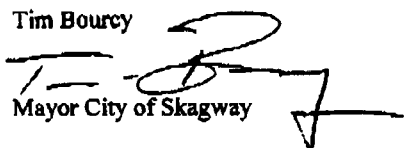
- The comments concerning the relationship of REAA boundaries to those of model boroughs. The quote that begins "The fact that there is no clamor to change REAAs Suggest to the commission" is a assumption on the part of the commission without any input or fact from affected areas to back it up. Therefore it should be removed.

6. Pg. 45 lines 51 remove.

- Skagway is totally opposed to the concept of the Lynn Canal Model Borough and has expressed opposition to this concept for over 30 years. Skagway is not opposed to the formation of borough government. However, this model borough is unacceptable to the communities of Skagway and Dyea and needs to be revisited. If the commission would like to explore other options Skagway would welcome that opportunity. If the commission wants to keep this model borough intact as is, the record needs to reflect our opposition to the formation of this borough.
7. We have yet to receive chapter 1 and have not had the chance to review it, so we ask that the commission not accept this document until the public has had a chance to review and comment on it.
8. There is numerous references in the draft to the "commission views" we would like the commission to examine each of these references prior to acceptance of this document to insure that these are actually the views of the commission and not that of individuals or staff!

Thank you for the opportunity to comment on the draft document.

Tim Bourcy


Mayor City of Skagway

Kevin Waring, Chairman
Local Boundary Commission
State of Alaska

Dear Mr. Waring,

This letter serves as a follow up to my presentation at the LBC hearing on February 8, 2003. In short, the city of Delta Junction wanted to convey the following points.

1. In light of missile defense related construction, scheduled development of the Pogo mine site and the large Slavic population in migration to the area, the city views the LBC efforts as a important issue that directly effects the region. To that end, the area is in the process of conducting a regional government options study. Our work shall be completed this summer. The effort will be an educational effort not an advocacy one. The area seeks to better understand this complex issue prior to taking any formal position on future regional government.

2. We recognize that the LBC used the model boundaries in its determination of whether an area could feasibly form a borough. However, we would request that the LBC in its deliberations consider and include the concept of two separate boroughs for the Upper Tanana region instead of one. Here's why:

A. The principal sub-regional political jurisdictions for the Delta area and the Tok area are separate. There are two separate and well-established school districts. The Delta area contains both the Deltana Corporation and the Delta Regional Economic Development Corporation which address a series of social and economic issues in that area. I am unaware of any relevant current socio-political nor economic linkage grouping or jurisdiction between the Tok area and the Delta area.

B. The economy of the two areas is distinctively different. Although like all highway communities, both areas rely on tourism, the broader Delta area economic base is military construction and operational activities, farming and soon mining at the Pogo site. The Tok economy lacks all three of these essential components. Moreover, Delta expects continued growth for the next 10 years. Tok does not expect any noticeable growth for the same time period.

C. Social services programs for the Tok region are principally provided by Tanana Chief's Conference (TCC). I am unaware of TCC providing any major programs in the Delta area.

D. The racial and ethnic makeup of Delta differs from Tok. Currently over 1,000 of the 3,600 residents of the Delta region are of Slavic decent. In fact 44% of the current grade school population is Slavic. All indicators point toward an even larger in migration of Slavic families in the years ahead. There is no similar in migration of Slavic families in the Tok area. Moreover, according to the LBC study (Chapter 2, page 79) approximately 2.5% of the residents in the Delta areas are either Alaska/American Native. In the Tok REAA, the same group represents about 24% of the area's population. Tok is clearly a hub for the surrounding villages. Delta does not have a similar relationship to any established villages in the area.

E. The Delta area does meet the minimum two communities standard for a borough. The region is composed of four communities: Healy Lake, White Stone, Ft. Greely and the broader Delta Junction area.

Again, we respectfully request the inclusion in your final report the listing of the Delta Greely REAA as a separate region for consideration for borough formation under the guidelines of the study.

Lamar Cotten

Local Boundary Commission

From: "CVEDC" <cvedc@cvinternet.net>
To: <lbc@dced.state.ak.us>
Sent: Monday, February 10, 2003 10:53 AM
Subject: Changes to report.

Change recommendations to the LBC report in Chapter 3" Application of Borough Incorporation Standards"

Page, 7 Line 32; students served is 1534

Page, 8 Chart on Copper River School DST.. says 726 students served? The 736 students is much closer than the 1534 students. The actual figure in Jan, 2003 the enrollment was 658 students.

Page 30 line 40 The Wrangell ST. Elias visitor center in the Glennallen area.

Should be added to the Copper Center area description on page 31 lines 10-15.

Some other things that need to be addressed are the per capita income and housing values are somewhat suspect.

The actual growth is also in need of an explanation. In the 1990 Census reports the Copper Valley were under reported due to the fact that all the at large people in the Copper Valley were given to Valdez because they said they were under counted. While in the 2000 Census report we were given the opportunity to change the census boundaries to take in most of the people that were given to Valdez. That is the reason for the sudden growth in our area.

All in all this report is well done and the information in it is very interesting. While we here are not totally in favor of the boroughization of our area it will be up to the Legislature to decide our fate. If you have any questions please feel free to call or e-mail me, phone 907-822-5001 or use this email address to contact my office.
Sincerely, John Downes,
Director of the Copper Valley Economic Development Council

Local Boundary Commission

From: "Jim Petrillo" <hopevillage@cvinternet.net>
To: <LBC@dced.state.ak.us>
Sent: Sunday, February 09, 2003 9:47 AM
Subject: comments from Kenny Lake

The chapter 3 study for this area is innaccurate and uninformed concerning per capita income and quality of housing. A houshold is considered 'upper middle class' if they have a flush toilet ! And truly, what would be the tax base here, because, the State lands can't be taxed, the Natives can't be taxed, the Fed lands can't be taxed, the University lands can't be taxed. That's 95% of the area ! Leaving , actually, less than 5% of the people carrying 100% of the burden. Rural Alaska produces over 80% of the wealth of the State. Which a great % ends up in Anchorage,Fairbanks and Juneau. Thanks, Jim Petrillo

Gakona Junction Village, Inc.

February 9, 2003

State of Alaska
Local Boundary Commission
550 West 7th Avenue – Suite 1770
Anchorage, AK 99501-3510

Attn.: Kevin Waring, Chair

Re: Response to "Report of the LBC to the 2nd Session of the
Legislature" regarding incorporation of the Unorganized Borough.

Dear Chairman Waring:

Having spent three hours attending the LBC teleconference yesterday on the above noted topic, I feel compelled to write and give my assessment of the testimony we heard concerning that portion of the Unorganized Borough commonly referred to as the Copper Valley Region.

I was impressed that, not only virtually every sector of the region was represented; the participation was seemingly unanimous on their opinions that this is not the time to begin efforts to incorporate the area into a borough.

I understand that you are not recommending that the area become a borough, but rather that it should be considered along with several other selected areas of the Unorganized Borough.

That said, it seems quite evident that the decision to include our valley in that recommendation stems from a cursory study done in a very short time frame with inadequate, inaccurate, and skewed information garnered from questionable sources. Using the 1990 Census is the first mistake, as it did not, in any way, reflect the actual numbers that exist in the communities on employment, population, property values, and tax base. All of these factors are paramount in determining our ability to support a borough and must be studied in depth before making a recommendation to the Legislature to move ahead.

It was apparent that many of the residents objected to Senator Wilkins' statement indicating that we are second class citizens with "palms up" looking for handouts from those in the organized boroughs. That theme was repeated several times throughout the testimony and I agree. The Senator seems bent on finding a way to negate his responsibility in funding education to the children of Alaska and shift that responsibility to the rural areas through boroughization. We, of course, feel there must be other solutions to the issue as a borough in this area stands little chance of success. Controlling waste of capital and operating funds would be a good start.

Gakona Junction Village, Inc.
P.O. Box 222 – Gakona, AK 99586
Phone: (907) 822-5058
Fax: (907) 822-3696
Email: gakona@alaska.net

Testimony:

A few comments were poignant and deserve mention here.

1. Glen Marrende of Tok made a strong argument against "regional" vs. "local" government as noted in Article X of the constitution. Close attention and research needs to be given to that statement.
2. Several persons spoke to the lack of time to prepare for responses due to the inadequate way the LBC published the information and hearing date. Some had not received any information at all and some received it just within the last few days. That is far too little time to properly assess the information and come to a rational judgment on such a lengthy and confusing issue.
3. Jane Brown of Glennallen noted that your commission has no representation from the Unorganized Borough. That is a serious mistake given the fact that the report notes that there are two vacancies on the commission that could easily be filled by residents of this and other areas in the proposed Boroughs.
4. Daniel Boone of Chitina spoke to the issue of the inaccuracy of the figures used in the study stating that their area has a 97% unemployment factor, a decline in residency and how taxation could easily result in a loss of property for non-payment of taxes after just three or four short years.
5. John Devens of Kenny Lake questioned the estimated property values as being inaccurate misleading. He noted that the \$128 thousand average is far too high and that many of the homes in the area do not qualify for financing by lending institutions due to a lack of water, sewer, size and adequate means of appraisal.

There were many other objections to the report but I will defer to the transcript at this point.

In summary it is my view that, even though we realize a borough will be in our future at some point, now is not the time. Until and unless a more detailed study is done by the proponents of organization (the Legislature) showing what the costs are and where the funding will come to justify organizing; we cannot support moving forward at this time.

I urge that you remove the Copper Valley in your recommendation to the Legislature. Failing that please include a disclaimer that will advise the readers of the inaccuracies of the numbers and so-called facts of the report.

Sincerely,



L. Alan LeMaster

2-9-03

To Whom it May Concern,

Regarding the unorganized borough review pursuant to Chapter 53, SLA 2002, I am against the town of Hollis becoming part of a borough. I live in Hollis.

As far as money for the schools is concerned, I suggest the state simply bill the residents of the unincorporated towns like Hollis. If this does not raise enough money for the running of these local public schools then please close them.

Matt Beer

Matt Beer
Lot 40 Hollis, AK

2/8/03

Billy J. Williams Jr.
H.C. 60 Box 100
Copper Center Ak. 99573
Ph.907-822-3828

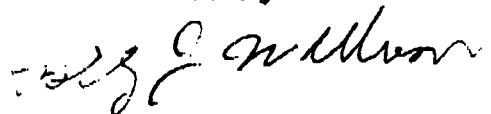
To Whom it may Concern:

I have been in Alaska 40 years with most of that time being spent in the Copper River Basin. I first came here in January of 1960. My wife and I have been in business for 26 years and I have a good grass roots view of the economics of the area. I believe the recent study that claims the region is economically viable as a borough is in error. I believe the finding on the unemployment rate is completely off. In my estimate 80% of my customers and neighbors are unemployed 60% of the time. I don't believe the study took into account the cronically unemployed who don't seek work, the many people here who rely on some kind of government assistance, the retired ect; and, we all know the figures at the unemployment office only illustrate the people that acutally contact them. The rest is speculation.

In my experience the estimate of the average value of a residence is greatly flawed. I have a nice two story house that was appraised at 79 thousand and it is one of the nicer houses in our neighborhood which by the way covers 10 miles. The figure on annual average income should let you know right away that the value of the housing is sckewed. Sombody made a mistake or else only used the best neighborhood in the Valley to figure their data. I have other issues with this study however I believe the time for public review was so short and poorly advertised that it seemed designed to actually limit any opportunity for disagreement and disproof. This alone is causing alot of controversy amongst local residents, we feel the government is trying to decieve us and limit our imput.

I understand the legislators who are pushing this issue's concerns. It is unfortunate that they mindlessly seek their preferred solution without educating themselves on the facts. If they force this area into a borough the hard feelings will last a life time. Also it will not magically solve any problems, in fact you will just have us competing with their constituents for a bigger piece of the pie. The argument that we don't pay our way for State services is simply not true. Even Anchorage gets more from the state for free than they pay for.

Thank you for you consideration Sincerely::



Feb. 8, 2003
P.O. Box 298
Klawock, AK.
99925

State of Alaska
Local Boundary Commission
550 West 7th Ave. Suite 1770
Anchorage, AK 99501-3510

Following is the text of my testimony as given on this date: a few changes are made

For the record, my name is Mike Reeves, a Hollis resident of 23 years, an Alaska resident for 36 years, and speaking as an individual

— — —

Given that this unorganized borough review is a result principally of concerns surrounding State education expenditures, particularly as they derive from political perspectives focused on contribution differentials, it is important to examine some facts which may serve to reserve until a later more appropriate time, the process at hand — such a future time could be realized when a representative majority of Prince of Wales Is. (POW) residents would agree on both the necessity and advantages of petitioning the LBC for borough formation.

— — —

Item 1 For the 2003 FY, total State entitlements for the four school districts in the POW

Is, model borough capture only approx. 1 1/4 % of those expenditures made for all of the school districts in the State - ie, trivial.

I note also that the eight model boroughs now being reviewed, taken in combination, use only 6.7 % of that State total.

Item 2 As given in the table on Pg 44, ch 3, of the Draft, the estimate of full and true taxable property outside the city school districts on POW (approx. 75 million dollars), even if taxed at the 4 mil rate, would produce only 3.6 % of the FY '03 POW State entitlement - trivial again.

Item 3 If there is a real revenue deficiency problem for the State, then clearly from the foregoing, any significant part of a solution is not to crack a peanut with a sledgehammer by imposing an economically unwarranted, and at this time, unnecessary borough government on POW.

Item 4 Again, if there is a real revenue deficiency, what happened to instituting the State

income tax with an attached, fixed amount school tax ... similar to what was in place before State government became giddy from oil wealth. With such a combined tax in place, not only would all who file a federal return represent an equitable participation in the funding of State services, but it would also provide on the order of 35 to 40 million dollars, calculated at \$100 per return for dedicated school expenses. By an equivalency comparison, this amount represents more than 75% of what the State now pays out in total entitlements for all eight of the model boroughs. This tax would apply to residents and non-residents alike.

Item 5 A combined State income and school tax could easily be modulated as a function of variations in resource revenues; and such a funding methodology sits in distinct contraposition to expropriation of Permanent Fund dividend monies and imposition of regressive sales taxes. It is patently preferable that the many pay a modest, if any, amount

correlated to their income than to have the few pay a skewed amount which would be highly factored, and in many cases, financially devastating as a result of application of the 'True and Full Value' assessment standard.

Mike Rivers
Hollis

Data in this text was taken from the most recent information provided by the Departments of Education and Revenue.

A special note to Chairman Kevin Warrage

Your emotive driven jabberwocky following my presentation wherein you expressed being offended by my testimony was, inter alia, a manifestation of hubris and impaired intellect.

I have the right to present my case as was delivered; and your obligation as chairperson of the Commission at the public forum was to receive that testimony, not inveigh against the testifier.

As today's hearing record evinces, my comments were in alignment not only with others from POW, but also with many of those from five other model borough regions.

Given that your charge is information collection for the State legislature, your personal sentiments are just that, and should not be vented in public intercourse.

Mike Rieves

Copies

Sen. Gary Wilkins

Interested Parties

Patricia Phillips, I am a 30 year resident, serving my 2nd term on the Pelican City Council. The LBC as the lead govt entity did not adequately distribute material for public review. At the very least, each affected community govt office or library should have a copy of the various documents for the public to study and form specific comments from. Pelican is a 1st class city. The City of Pelican has done very little to make available information on this topic. Should a mandatory borough formation legislation pass, than the Icy Straits/Chatham area borough should form as a Home Rule borough, to give each community the continued autonomy it already has.

The revised June 1997 Model Borough Boundaries does not adequately represent an area and population with common interests to the maximum degree possible. Rather it divides and conquers area and common interests in the Glacier Bay and Chatham Straits area. This revised plan separates Hoonah from its neighboring clan communities of Angoon and Kake. Is this a deliberate attempt to water down their political effectiveness? When the state undergoes reapportionment, they have to consider ethnicity and cultures. In 1991 the City of Pelican did not want to be in a borough with Hoonah. Paul Grant, City of Pelican attorney, in a Dec. 31, 1990 letter to Pelican City Council stated, "Hoonah's method of governance is highly appropriate to a traditional village, but conflicts with Pelican's way of doing things are inevitable. Sovereignty and subsistence will predictable be burning issues occupying much government energy in Hoonah, but not in Pelican. All in all, it seems that trying to combine Pelican and Hoonah into one borough would be like trying to mix oil and water..." Mr. Grant further stated, "It does not appear that any combination that included Pelican, Hoonah and Gustavus would meet the statutory requirements for borough formation because of the diverse economic and cultural base of those communities."

To separate Angoon and Kake from Hoonah would be detrimental to the solidarity of the native people of these incorporated communities. The population of these communities are interrelated and integrated in social, cultural and economic activities and "a borough government can be a valuable tool for local self determination that allows municipal and tribal government/organizations to co-exist successfully while resources are maximized." (pg 2, Nov. 2002 - Borough Government in Alaska)

Pelican, Hoonah, Angoon and Kake have commonalities, they each operate as distinct and well organized incorporated cities. A combined Glacier Bay and Chatham area borough more closely represents a social, cultural and economic blend of activities. This combined area is large and stable enough to support borough government. Gustavus is not incorporated and does not exercise taxing authority, or land use regulation, platting or municipal planning as do the incorporated cities of Pelican, Hoonah, Angoon, and Kake.

All these communities are located in rural coastal areas. Pelican, Hoonah, Elfin Cove, and Kake have fish processing facilities, and the economy is rural maritime, fisheries and subsistence based. Gustavus does have commercial fishermen, but their economy is directly linked to the National Park Service and other diverse employment.

Gustavus and Angoon are in the Chatham REAA. They have an established working relationship for their schools. Some Gustavus residents detest this sharing of school services. It's been stated that Gustavus has the highest personal income per capita. This attitude is a motivating factor to separate the Chatham area from the Icy Straits area. And is in direct conflict with, "Borough boundaries must conform to REAA boundaries..."

The consolidation of the school districts is my main concern. Because Pelican has a small population base will we be at the mercy of the larger communities in the struggle for funding. Look at Trapper Creek in the Kenai Borough, 27 kids, potential school closure or 1 teacher because of district funds being overspent in the larger communities. Pelican does contribute 4 mills to our schools.

Thank you for the opportunity to comment. Please send me a copy of the Hoonah's 2nd Feasibility Study. Patricia Phillips P.O. Box 33 Pelican, Alaska 99832

City of Hydaburg

8th Street Extension

P.O. Box 49

Hydaburg, AK 99922-0049

(907) 285-3761 • (907) 285-3793

Fax (907) 285-3760

2/8/2003 12:42:16 PM

HONORABLE GOVERNOR Frank Murkowski

Lt. Governor Loren Lehman

Chairmen Boundary Commission,

1-888-263-1555

Fax:1-907-269-0229

Memorandum

Senators,

Honorable mayors,

Greetings from Hydaburg, Alaska My Name is Steven Henry Dilts Mayor,

City of Hydaburg, Alaska P.O. Box 49.

Hydaburg, Alaska 99922

Phone 1-907-285-3761

Fax: 1-907-285-3760

RE: RECORD AS IMPEACHING THE BOUNDARY COMMISSION AS NOT
ADEQUATELY ADDRESSING HYDABURG;

Hydaburg goes on Record as opposing a Mandatory Borough Executive Order by the
Honorable Governor Frank Murkowski, and Hydaburg Invites Honorable Governor
Frank Murkowski and Loren Lehman to come to Hydaburg and discuss this Issue.
Including the Boundary commission.

This Mandatory borough s' is infringing on Hydaburg's right to choose what system if
any Hydaburg Wants, and a right to decide what destiny Hydaburg wants for the
Betterment of Hydaburg.

Hydaburg has Hydaburg coastal Zone Management plan IS in Place.

Including Hydaburg Water shed, PLAN.

Alaska Native Claims Settlement Act is in Place

Hydaburg Historical site merit Special consideration, including, sockeye salmon streams
Hydaburg owns, including the right to live off of our Land and seas..

This document of Boundary Commission does not adequately Address the Human Factor
and overly harsh, depressed "Economy" of Hydaburg.


There are Laws and Principals and standards in place including Laws of /Antiquity.

Hydaburg is unique singular compared to other communities.

Hydaburg contends, this Maneuver by Alaska Legislature, is cruel and unusual, and a
violation, of the United Nations Charter and is inhumane and a violation of the
community, of Hydaburg People, City of Hydaburg.

Hydaburg stands by its Invitation and considers this Maneuver a act of "Genocide" on the
Hydaburg people.

Sincerely,



Steven Henry Dilts, Mayor

Box 19382
Thorne Bay AK 99919

February 9, 2003

Mr. Kevin Waring, Chair
Local Boundary Commission
550 W. 7th Avenue
Suite 1770
Anchorage AK 99501

Dear Mr. Waring:

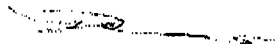
I wanted to support the letter submitted by the Prince of Wales Community Advisory Counsel regarding the mandated borough building apparently ordered by the Alaska State Legislature. I believe that the facts outlined in that letter make it clear that the data used in your draft report was not valid and out of date. I assume that the commission was not at fault but that the data source were no longer valid. It seems clear to me that there is insufficient money on this Island to support the addition of another layer of government at this time.

I would encourage you to change the data in that report before it goes to the legislature.

I very much support the idea of a Borough on this Island but even if all the land of the Island were available to be taxed, I doubt there are enough people to support the costs associated with the addition of more government. As you clearly heard during the testimony on February 8, there is not much taxable land available. Between what is owned by the government and what is owned by the native tribes of the Island and the area, there is very little land available to support a property tax.

Assuming this will be passed on to the legislature I want to say to them that this is a clear move to make the local governments responsible for taxation so you can say ' See how we have saved the government money'.

Sincerely,



Loyd Gathman

Local Boundary Commission

From: "Senator Gary Wilken" <Senator_Gary_Wilken@legis.state.ak.us>
To: "Al" <alnear@alaska.net>
Cc: <LBC@dced.state.ak.us>; "Ralph Seekins" <Senator_Ralph_Seekins@legis.state.ak.us>; "Del Ackels" <golddustmines@gci.net>; "Tom & Diana Miller" <aktrmiller@gci.net>; <farnham@gci.net>; "Senator Gene Therriault" <Senator_Gene_Therriault@legis.state.ak.us>; "Sheila Peterson" <Sheila_Peterson@legis.state.ak.us>
Sent: Friday, February 07, 2003 7:47 AM
Subject: Re: Unorganized Borough Review

Good morning Al,

Thanks again for your notes.

Your concerns are valid and I appreciate Mr. Bockhorst's explanation. The important thing to remember is, that if a certain area of our state today has the capacity to support local government, the method by which that may happen is the process set forth in our Constitution, statues, and regulations. During that process, the method by which the local government (be it a minimalist government or one with full blown powers - and I would suspect the former) is funded is a major part of the consideration. As Mr. Bockhorst suggested, the funding of the government may rely on a property tax, but maybe not. I would suggest that the area about which you are concerned, given its large non-taxable (federal) areas measured against the 4 mill education requirement, may well be funded by a sales tax or even a seasonal sales tax. Perhaps even an employment or head tax, seasonal or year around.

But that is the discussion that will take place should a petition or legislation be moved forward.

This issue is not about penalizing Alaskans like you that are already carrying your fair share, it is about those that hide from government, surfacing with their hands extended palm up only when they need their next monetary fix to continue their programs which are funded, in part, by the hard working Fairbanksans I represent.

The people I represent go to work every day and pay their fair share for services rendered. I expect, and will continue to expect, those that have the capacity to do the same, but do not today because they "don't want more government", step up to the plate. They should be asked and expected to shoulder their share of their responsibility, not just for the sake of "government" but for cause of "good government."

I simply ask that they carry their fair share. And why not, you are.

Please stay in touch and I will work on your concerns.

Thank you

Gary Wilken

Al wrote:

Dear LBC: Regarding the creation of new boroughs in the regions of review, the potential for taxation of recreational property is of

concern to me. Many seasonal users within these review areas actually reside within one of the organized boroughs. They only visit their remote parcels a few times a year for recreational purposes. Many are situated in such remote locations that access is limited to aircraft or ATV. Not only are these owners present for just a few days each summer season, their land use imposes virtually no cost to the region. They have no children attending schools there, no roads connect to their parcels, no utilities are available... In short, there are no services available now, nor would there be after the creation of a local government. And yet, there appears to be a high likelihood that a property tax would be imposed! Most owners already pay property tax in their home boroughs. So, they could end up paying tax for education and other services to both regions, but only receiving benefits in one. I have no problem with the concept of universal education and have willingly supported it in the Fairbanks North Star Borough before, during and after the period when my kids attended public schools. But, to contribute both here and to some other jurisdiction that I only visit periodically and from which I can never enjoy any services is preposterous. Given that the stated objective of creating new boroughs is to *more fairly* spread the cost of education among all residents of Alaska, I find this particular aspect very disturbing. Yours truly, Al Near

To the Boundary Commission
550 West 7th Ave, Suite 1770
Anchorage, AK. 99501

February 7, 2003

From Earl M. Nash
P.O. Box 19207
906 Bayview Court
Thorne Bay, AK. 99919

To Those of The Boundary Commission.

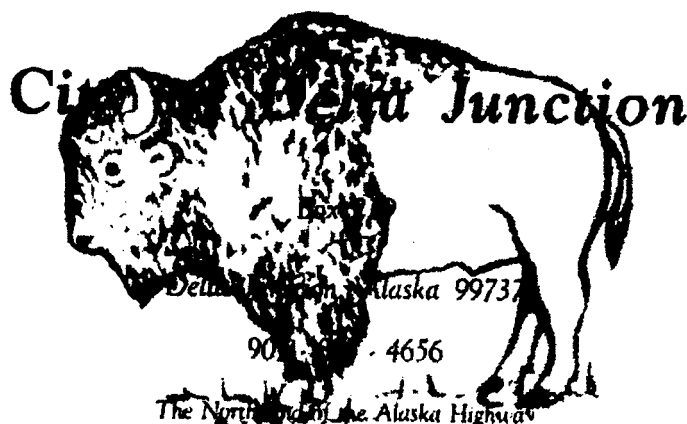
I am a citizen of the Prince of Wales Island and am concerned about the possibility of being forced into Boroughization. I am **not** in favor of such an action. There are several reasons why we are not capable of such an act without undue burden on an already stressed economy. Your facts about an average income must be based on an economy of our past. We are headed down hill and having to make many adjustments just to survive. Timber, fishing and even tourism are on a down turn. Some road projects are providing a temporary boost, but it is temporary.

We have too few stable and long term incomes to consider supporting such a Bureaucracy. I am not against the eventuality of this as the numbers of citizens and their incomes increase. As of right now it would cost approximately \$150.00 for every man woman and child on our Island just to open and keep open for each year, the doors of a Borough. This would be without doing any collection or taxation to advance the good of our children in schools .

Sincerely, Earl M. Nash

A citizen of our Island for 19 years





February 7, 2003

Kevin Waring, Chairman
Local Boundary Commission
550 West 7th Avenue, Suite 1770
Anchorage, Alaska 99501-3510

Via fax#(907) 269-4539
and e-mail: LBC@dced.state.ak.us

Dear Chairman Waring,

The City of Delta Junction appreciates the ability to comment on the LBC Draft Report to the Legislature. The position of the City Council will be presented to you by Lamar Cotton, who will be in physical attendance at the hearing site. He is prepared to present comments and answer questions at such time as may be most convenient to the Board.

As a former LBC Commissioner, Deputy Commissioner of Department of Community And Regional Affairs, and a former Borough Administrator, he is an expert in the matters on which he will speak.

Sincerely,

Pete Hallgren
City Administrator

February 5, 2003
P.O. Box 19203
Thorne Bay, AK 99919

Boundary Commission
550 West 7th Ave., Suite 1770
Anchorage, AK 99501

Dear Boundary Commission,

I am responding to your information contained in the Application of Borough Incorporation Standards which considered the City of Thorne Bay becoming part of the Prince of Wales Borough.

Many of the facts in the Application are not up-to-date concerning Thorne Bay and Prince of Wales Island. For one, Thorne Bay is no longer a log transfer site. Logging employs very few residents here. The commercial fishing industry has declined sharply, due to low fish prices, high fuel costs, and less fish buyers on the fishing grounds. Thus, the fishing industry is an undependable source of income for Prince of Wales Island residents.

Currently, the major employers in Thorne Bay are the U.S. Forest Service and the Thorne Bay School. The majority of the government & school employees are not property owners & would not be affected by property taxes. Many of the property owners here do not have a steady assured income, so it would be a financial hardship to support the services mandated for borough government.

With more research to update the "facts" on Prince of Wales Island presented in the Application before making a recommendation, you will find that the hardships associated with forcing us to become a borough would be detrimental to the full-time residents living here.

Please include Prince of Wales Island on the list of areas of unorganized boroughs to be excluded from further consideration.

Thank you.

Sincerely,



Jennifer Wise

February 5, 2003
P.O. Box 19203
Thorne Bay, AK 99919

Boundary Commission
550 West 7th Ave., Suite 1770
Anchorage, AK 99501

Dear Boundary Commission,

I am responding to your information contained in the Application of Borough Incorporation Standards which considered the City of Thorne Bay becoming part of the Prince of Wales Borough.

Many of the facts in the Application are not up-to-date concerning Thorne Bay and Prince of Wales Island. For one, Thorne Bay is no longer a log transfer site. Logging employs very few residents here. The commercial fishing industry has declined sharply, due to low fish prices, high fuel costs, and less fish buyers on the fishing grounds. Thus, the fishing industry is an undependable source of income for Prince of Wales Island residents.

Currently, the major employers in Thorne Bay are the U.S. Forest Service and the Thorne Bay School. The majority of the government & school employees are not property owners & would not be affected by property taxes. Many of the property owners here do not have a steady assured income, so it would be a financial hardship to support the services mandated for borough government.

With more research to update the "facts" on Prince of Wales Island presented in the Application before making a recommendation, you will find that the hardships associated with forcing us to become a borough would be detrimental to the full-time residents living here.

Please include Prince of Wales Island on the list of areas of unorganized boroughs to be excluded from further consideration.

Thank you.

Sincerely,


Anthony Wise

February 06, 2003

Local Boundary Commission
550 West 7th. Ave., Suite 1770
Anchorage, Alaska. 99501-3510

I wish to express my comments and concerns AGAINST any potential or proposed recommendations or formation of an organized Borough in or on the Prince of Wales Island area.

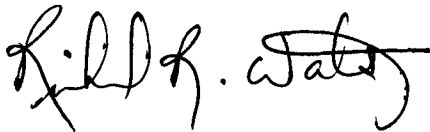
As a property owner of Whale Pass, Prince of Wales Island, which is currently not located in a Borough, and one of the main reasons why I purchased this property, I will do everything I can to stop a Borough from forming now or anytime in the future.

Although it may be true that forming a Borough on Prince of Wales would be in the best interest for the State of Alaska, it is by no means in the best interest for the majority of remote property owners such as myself.

I do not entirely disagree that the formation of a small Borough area that encompasses a higher density of population such as around a township (Craig is an Example) may be beneficial. But clearly the benefits must out way the costs and ramifications of such a Borough.

As a current Ketchikan resident for the past 27 years I have never seen such a waste of redundancy in local government and the lack of co-operation such displayed by the City of Ketchikan and Ketchikan Gateway Borough. Please consider focusing your efforts on ratifying current problems such as the need for unification before you go out and recommend or create new ones.

Thank-you very much,

A handwritten signature in black ink, appearing to read "Richard R. Watson". The signature is fluid and cursive, with the first name "Richard" being more prominent than the last name "Watson".

Richard R. Watson

P.O. Box 23104
Ketchikan, Alaska
99901

(907) 225-1569 (Home)
(907) 225-5231 (Fax)
(907) 225-5171 (Work)
(907) 254-5200 (Cell)

Local Boundary Commission

From: "Doug Vollman" <vollman@cvinternet.net>
To: <LBC@dced.state.ak.us>
Sent: Thursday, February 06, 2003 10:01 AM
Subject: mandatory boroughs

To whom it may concern, All this talk of borough formation in the Copper Valley has been ongoing for many years. The reasoning behind boroughs seems to be economically motivated with some mention of self-government. First of all in the Copper Valley there can never be true self government because of the large amount of federal lands and Native holdings. It seems to me that a recent study of property values in our region has been grossly inaccurate. Your study shows the average valuation of our homes at \$141,000, while many of us live without sewer and water in homes that cannot even be insured. The argument by urban legislators is that we aren't paying for our school. Perhaps we need an equitable school tax. But do we really need another layer of government? The pipeline, though it has been depreciated well below its true worth, still brings to the state enough money to pay for education. Much of the money spent in our area comes from the federal government. Because of our depressed economic situation, the diversity of our communities and the vast area that could never be equitably served by a new layer of government, a borough is totally unrealistic. The political ideology of "less government" put forth by most of our seated politicians obviously is a blatant lie. Many of us residents of the Copper Valley asked for very little from the state: just a few roads, schools and troopers. At this point, those three services have been underfunded. I believe it would cost more to assess our properties than we could bring in. Seasonally, many urban residents harvest resources from our area but contribute very little. Should we put up toll booths to charge dipnetters and hunters? No, we are all Alaskans and there is enough revenue in the state to pay for all our needs. We spend millions of dollars on studies, commissions, and consultants but fail to come to any realistic decisions. Please do not make the mistake of forcing a useless layer of government and thus a drain on the state economy upon the rural residents of the state. Thank You,

Sincerely,

Doug Vollman
P.O. Box 366
Copper Center, AK 99573
907-822-5898

CITY OF UNALASKA

P.O. BOX 610
UNALASKA, ALASKA 99685-0610
(907) 581-1251 FAX (907) 581-1417



February 6, 2003

Kevin Waring, Chair
Local Boundary Commission
550 West 7th Avenue, Suite 1770
Anchorage, AK 99501-4539

Dear Mr. Waring:

We understand the Local Boundary Commission's role in reviewing conditions in the unorganized borough and that it is simply making the findings available to the 2003 Legislature. While we may not be able to dispute many of the findings as they relate to the conditions of borough formation as outlined in Alaska law and regulatory authority, we do have concerns about this draft report and many questions about the process and potential outcomes.

Unalaska incorporated as a first-class city in 1942, in large part to retain local control of the community following US military expansion in the area. Unalaska has benefited from its first class city status and its ability to retain local control over all aspects of community development, including education, government, and local taxation. We feel that borough formation would create an additional and unnecessary layer of government. We also believe this action would reappropriate our financial resources and create additional tax burdens on our local fisheries, businesses, and citizens. We recognize the concept of potential financial gain by replacing local educational funding with borough funding. However, at the same time, we would forfeit local control of our school district to regional decision-makers who would be forced to balance very different educational populations and needs. Borough formation would also change the local distribution of fisheries taxes and other revenues.

We would be faced with the formation and operation of a new level of government in an area of complex geography subject to the most severe weather in the state, with a single large population and economic center, and inadequate transportation and communications links. We believe the operational costs of an effective borough government in the Western Aleutian region would be excessive and the logistics and administration of such a large and uniquely remote area of the state very difficult.

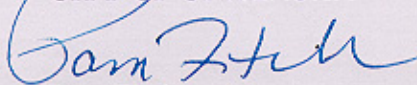
Furthermore, the City of Unalaska is concerned about the possibility of a legislative mandate for borough formation within the Aleutians West/Aleutian Military Model Borough boundaries and is, therefore, not in support of borough formation.

In addition, we feel that communities were given an inadequate amount of time in which to respond to this draft report. We received an electronic copy of the almost 200-page document through Representative Moses' legislative office on Friday, January 24, after being unable to retrieve it from the state's website. We were notified that we had until February 6, only eight and a half business days, to respond in writing. We strongly object to this limited amount of time to respond to such a lengthy and potentially important document. We also have questions about the process once the final draft is submitted to the legislature later this month. We have been unable to find answers as to what might occur after the legislature receives the report. We don't know when the next opportunity might be to respond, to whom we will respond, what the timeline might be, or how to prepare our community for the possibility of the formation of a legislatively mandated borough in our region.

We feel that the potentially negative impacts to the City of Unalaska currently outweigh the positive aspects of borough formation at this point in time. The formation of a borough creates another level of government, will increase taxes for local businesses or force the City to reduce its taxes, will decrease local control especially over education and taxation, and will create the responsibility of providing new and required services for local roads and school maintenance.

In the following pages, we offer our comments on specific sections in Chapter 3 of the draft review document. For your convenience, we have noted the sections addressed by our comments.

Sincerely,
CITY OF UNALASKA



Pam Fitch
Mayor

City of Unalaska
Written Comments on
The Local Boundary Commission's January 24, 2003
Public Review Draft of The Unorganized Borough Review

Chapter 3 Application of Borough Incorporation Standards

Section B. Economic Capacity

Part 3. Reasonably Anticipated Borough Expenses

Subpart (a). Education

As indicated by the study, the largest single expense for borough governments is education. Borough formation would certainly change the status quo of education funding for the City of Unalaska. The City has historically funded its schools above the allowable local contribution required by the State of Alaska, and plans to spend just under \$3 million for education in FY03.

Unalaska School District students are provided a well-rounded education given the remoteness of the community and its limited outside educational resources. Unalaska's students historically perform well on standard aptitude tests, state benchmark exams, and the HSGQE (exit exams). In fact, Unalaska high school students outperformed all other school districts in the state in the first year of the state-mandated exit exam and continue to be better than many other districts, including large urban districts with more opportunities. *Offspring*, a parenting magazine named Unalaska City School District one of the top 100 school districts in the country in 2000. The magazine found that Unalaska City School District ranked higher than 99 percent of the districts studied based on college entrance test scores and the amount of money that was spent in the classrooms. UCSD was one of the thirteen western school districts and the only Alaskan school district named. Unlike the problem faced by other rural districts, teacher retention is not an issue in our school district. The average annual teacher turnover rate in the district is 21.5% and has been as low as 10%.

We believe Unalaska's local educational programs are successful for more reasons than the financial contributions the City has been able to make to the district. Our success also depends on parental involvement; an active and well-trained local school board; high standards set for student behavior and teacher excellence; a locally funded preschool program for 3-6 year olds staffed by a certified teacher; sports, music, language and cultural programs and opportunities for students; strong local business support; as well as financial and cultural resource support from the local native corporation. The components of this holistic success are all the result of local control in the decision-making process. Unalaska cannot agree that borough formation would help maintain or ever hope to improve the level of success our students now enjoy, nor would our successes easily translate to other schools in the region with different populations and needs.

Unalaska wishes to maintain its educational success, but we do not understand how our costs, rated in your draft report as an average of \$11,998 per student could be maintained

or future needs met when compared to the cost of \$25,649 per student in the Aleutian Region REAA. The draft report does not reflect the true costs of education in Unalaska, and we question the costs listed for the Aleutian Region REAA. The report does not address deferred maintenance on school facilities in Adak, Atka, and Nikolski. More time is clearly needed to review and evaluate those costs.

We assume a borough government would take over the responsibility for local educational bond indebtedness and manage state reimbursements, but have no information on how this might work. Our annual school debt payments total \$600,000 and debt reimbursement payments total \$450,000. We also need information on how a borough would assume ownership of school property and if this new government would reimburse the City for investments in land and infrastructure, totaling approximately \$19 million.

Subpart (b). Assessment and Collection of Taxes

The *Western Aleutians Borough Feasibility Study* done by HDR Alaska, Inc. in 1996 showed that borough government revenues could lag expenses within a short time based only on a 1% borough fish tax. The report also showed that same 1% borough tax would add approximately \$1.1 million in taxes paid by fish buyers and harvesters in the Unalaska city limits. The report indicated that another form of taxation would likely be required to support the borough government.

The report does not adequately address private property ownership in the proposed borough. We believe the majority of taxable private property exists in Unalaska and is taxed at 11.78 mils. The status of taxable property in Adak is unclear. It is doubtful that the citizens of Unalaska would support increased property taxes to support the borough. It is more unlikely that the seafood processors located in Unalaska would support increases in property tax or fish taxes to support the new borough. In fact, any borough formed in this region would be supported by the economic activities of one community. Political dissension will be guaranteed going into the process. We have a single-source, resource extraction based economy. The commercial fishing industry is very dynamic. Climatic changes, regime shift, endangered species, changes in world economies, and changes in fisheries regulations make predicting future revenues very difficult. Adding another level of infrastructure and government supported on this type of economy is not feasible without impacting the City of Unalaska and its ability to maintain what it has constructed to support the industry in the community to date.

Subpart (c). Land Use Regulation

Due to distances, weather extremes, inadequate transportation, and costs, land use regulation and enforcement would have to be delegated back to the communities in the proposed Aleutians West Borough. The amount of community boundary property in the borough would be minimal. The proposed borough would be involved in land use regulation outside of the communities. The Aleutians West Borough would be 950 miles long. In order to fly to Adak from Unalaska, people must first fly 800 miles to Anchorage and then 1200 miles to Adak. Depending on where the borough government would be located, travel would be difficult and extremely expensive. A round trip ticket

from Unalaska to Anchorage averages about \$900 dollars. Due to weather delays, it is not uncommon for travelers to spend three days in Anchorage trying to get home. It is hard to imagine the distances and expenses for those who do not live in the region, but we urge that this consideration be reflected in the final report.

Part 4. Reasonably Anticipated Borough Income

Subpart (a) Locally Generated Income

Property Taxes

The City of Unalaska appears to be the only community in the proposed borough that levies property taxes. As mentioned above, the future of Adak is not well defined at this time and the amount of private taxable land is uncertain. The rest of the region has little private land of value that could contribute to a borough tax base, if necessary. Again, a borough government would likely be most heavily supported by property owners in Unalaska under this scenario and would not be feasible.

The draft also fails to mention what would happen if a borough were formed with associated tax assessment & collection authority given that Unalaska levies property taxes to support its existing government. We need a better understanding of this scenario and if it has happened in other boroughs, how it has worked. Any future reports should address this issue and how it might impact borough and city authority.

General Sales Taxes

The City of Unalaska imposes a sales tax at 3% of gross sales and represents approximately \$5 million in annual revenue. The City Council feels that this is at the upper end of politically supported taxes. A borough sales tax might require the borough to take over administration of all sales tax borough-wide. We expect that the complexities of enforcing a borough-wide sales tax would cost more in governmental expenses than would be generated by imposition of the tax. Sales tax audits are also a standard enforcement tool for sales tax code. Given the size of this proposed borough and the transportation links that exist, the costs of travel for performing audits would be prohibitive. For these reasons, we believe a borough sales tax would not be a feasible means of supporting the proposed government.

Targeted Taxes

As the report indicates, Unalaska currently levies a 2% raw fish tax and a 5% bed tax. Of the two, the fish tax is the most important to local revenues. The processors and harvesters will not support the imposition of another 1% fish tax to support a borough. We believe the increase in the local tax burden from a borough fish tax would not offset the proposed financial benefit of no longer having to fund education in the community.

The report omits mention of targeted taxes such as fuel transfer taxes in Adak and the 2% raw fish tax and 10% bed tax levied in Atka. While we cannot comment with any certainty on the other communities in the proposed borough formation area, they do levy targeted taxes and will likely have objections of their own to the addition of other taxes.

Other Sources of Locally Generated Revenue

The generation of enterprise revenues cannot be considered as revenues that would help the formation of a borough. Enterprise funds, typically utilities, are not used to generate revenue for the General Fund. In fact, the City of Unalaska General Fund subsidizes many of our Enterprise Funds. Last year almost \$1 million dollars was transferred from our General Fund to various utility funds. The tables presented do not give enough information to draw any valid conclusions as to the benefits of this type of revenue in relationship to borough formation.

Subpart (b). State and Federal Aid

Organization Grants

This study does not include the organizational plan for a newly formed Aleutians West Borough. We believe the organizational grant funding from the state should be doubled for the formation of a borough in this region due to location, proposed size, transportation and weather limitations, and additional costs.

Part 4. Reasonably Anticipated Borough Income

Subpart (b) Municipal Land Entitlement

The new borough is entitled to ten percent of vacant land, unreserved and unappropriated State lands. Although there is plenty of vacant land in the Aleutians-- 68% is designated as wilderness, as defined by the 1964 Wilderness Act. The United States Fish and Wildlife Maritime Refuge, Aleutians Unit consists of approximately 3.9 million acres alone. Between the national wildlife refuge and the competing selection rights of the native corporations, there is very little remaining state land. The new borough would not have the potential of additional income under the Municipal Land entitlement. Any further movement toward borough formation in the region must fairly and equitably address this issue.

State Revenue Sharing Program

While Unalaska wouldn't see a change in this program with borough formation except that the funding for this program has been reduced by the legislature over time.

Payment in Lieu of Taxes

PILT payments are made to boroughs that collect property taxes or directly to communities that levy property taxes. Unalaska is currently the only city in the proposed borough collecting property taxes. The draft report doesn't include calculations for this possible revenue. We don't think PILT payments should be considered as a source of borough revenue for all the reasons stated earlier.

Safe Communities Program

Revenue from this program is a pass through type grant to communities and should not be considered as revenue for the Aleutians West Model. For reasons of logistics and cost savings, any mandated borough formation in our region would most likely take up only limited powers.

State Shared Fisheries Business Tax and Fisheries Landing Tax

Distribution of state shared fisheries tax revenues in both categories would change for Unalaska. The state now shares 50% of the revenues collected from these fisheries with Unalaska. Under a borough form of government, the borough would receive the entire local share, retain 25% for borough use, and distribute the remainder to the communities that qualify for payments. Based on our FY2003 budget, Unalaska would see a \$3.26 million loss of revenue. This loss is clearly not offset by not having to pay for local education costs.

Alaska Coastal Management Program

A new borough government would receive funding for and manage this program for the Aleutians West Coastal Resource Service Area. With ongoing reductions in funding for coastal zone management in the state, we feel it is not a reliable or adequate source of funding to manage the program in its current form at the borough level.

Capital Matching Grants

While there would be no change to the way this program is administered, borough governments are responsible for planning in areas outside city limits. In our proposed borough area, this could mean the creation of more projects. More projects identified in more new boroughs could mean more government competition for the \$15 million currently available on a yearly basis.

Part 5. Ability to Generate and Collect Local Revenue

As stated in the LBC draft report, the ability of a borough to generate and collect local revenue is influenced by many factors such as existing revenues, taxable property, land ownership, poverty and unemployment, percent of non-working adults, household income, and economic activity. A borough in this region would place a large, ethnically diverse, working community into a government with smaller traditional communities with less diverse populations and limited economic and tax potential. We feel the data in the draft report does not clearly address these large differences. The study places Unalaska Atka, Adak, Nikolski, Shemeya, and Attu into averaged categories. While our communities are certainly culturally bound to the rich Aleut heritage evident in the Aleutians, they are as different as night and day economically.

Adak is struggling through the unenviable tasks of downsizing its infrastructure, which was designed for a military community of over 6,000 people. The existing infrastructure cannot be afforded nor supported by its current population of slightly more than 300 people.

Atka and Nikolski are largely subsistence economies. Shemeya and Attu are places that very few people have ever been to. It is unlikely that there will ever be economic activity, beyond military support services, in these places. Alternatively, Amchitka may undergo cleanup activities in the future, as it was a site of nuclear testing during the height of the cold war. That cleanup, if ever undertaken, would likely be accomplished by military contractors from outside the region adding little value to a borough economy.

Unemployment

Data concerning Unalaska can be deceiving in the respect that people who do not or cannot find work leave the island because they simply cannot afford to stay. Anyone who wants to work can usually find work here in Unalaska.

Part 6. Economic Base, Land Use, and Development

Subpart (b) Aleutians West Model Borough

Part 3. Reasonably Anticipated Borough Expenses

Subpart (a). Education

Line 18 should read “the nation’s most productive fishing port, the City of Unalaska’s International Port of Dutch Harbor.” The region’s fledgling tourism and sport fishing industries are few and limited. Some of the world’s most severe and unpredictable weather, limited transportation options, and the cost of air travel seriously hamper growth in these new sectors of the economy. We are certainly hopeful that these businesses will continue to grow in our region, but tourism development in the Aleutians should not be viewed as a serious source of potential development for the purposes of borough formation or a potential tax base. Tourism may grow in other areas of Alaska, but weather, geographic isolation, and costs place a very real limit on its development in our region.

Part 7. Property Valuations

We have concerns about this section of the draft report. Based on the State Assessor’s estimate of property values located outside of current school district boundaries, the proposed borough in the Aleutians West Model indicates only \$14 million in taxable property. These potentially taxable properties would only generate approximately \$140,000 at 10 mils. This estimated amount is clearly inadequate to support all borough functions outside of Unalaska’s city limits.

The study in this section gives data for per capita property values, personal income and estimated per capita household income. The one thing missing is the cost of living for the areas in the model boroughs. It cost more to build a house in Unalaska than it does in Juneau. A person in Unalaska has to make more money to survive than a person in Anchorage. The cost of living is an important component that has been left out of this date and should be reflected in the final report.

Part 9. Prior Borough Feasibility Studies

While we were unable to review the 1989 *Aleutians West Borough Feasibility Study*, prepared by the Department of Community and Regional Affairs mentioned in the draft report, we did review the 1996 study for the City of Unalaska by HDR Alaska, Inc. in 1996. The *Western Aleutians Borough Feasibility Study* concluded that:

- ❑ The region met the constitutional, statutory, and regulatory standards for borough formation.
- ❑ A borough government could afford to provide the non-educational functions of such a government structure.
- ❑ Borough formation would change the status quo of educational funding, especially for the City of Unalaska. Educational costs vs. revenues are not

favorable, unless provided for at the basic need level. If the borough were to provide funding at either the cap or above the cap (as Unalaska does), additional revenue sources would have to be found, probably in the form of a borough sales tax or property taxes.

- ❑ Distribution of fisheries tax revenues would change. A portion of the shared tax revenues now going to the cities would be distributed to a borough government with an expected reduction of local contributions of 25% over five years.
- ❑ Depending on revenue projections, a phased-in reduction of local contributions to educational funding may not be offset by revenues generated in a borough general fund unless additional taxes are levied.
- ❑ A borough fish tax of 1% would add an estimated \$1.1 million in taxes to fish buyers and harvesters located in the city limits of Unalaska alone. This would not be supported by the industry, especially if Unalaska (and now Adak) continue to levy their 2% local raw fish taxes.

Questions raised in the 1996 study remain unanswered today. How might borough generated fish taxes impact commercial activities in the region? Would the transfer of 10% of state-owned land to a borough be feasible? This would be the case only if state lands are available after the recent land transfer on Adak. State-owned land is not available in the other areas of the Aleutians West region.

The HDR study identified benefits to borough formation. The pros include: protection from forces annexation or mandatory borough incorporation (now in question); a larger voice in regional and state affairs; land management powers; a potential for land transfer with the inclusion of Adak, and additional powers and local authority.

The HDR study showed that borough formation was feasible from a legal standpoint in 1996, but not from a financial standpoint. Nothing in the current LBC draft report changes that reality for Unalaska.

Part 10. Conclusions Regarding Economic Capacity

The Commission has concluded that all eight unorganized areas under review are economically capable of providing borough services. However, there is no transition plan included in the study for each of the model boroughs. Additional input is needed from the communities on how the model borough could work. If the economies are truly viable and meet the requirements for incorporation in all eight model boroughs, we believe they would have incorporated as boroughs voluntarily and with local government, city council, and school board support.

In truth, local city councils have been under increasing pressure to increase taxes as state funding has slowly dwindled. Unalaska and other communities have considered borough incorporation as a means to improve their financial conditions and their conclusions have been that borough formation is not attractive or viable at this time.

Section C. Population Size and Stability

The majority of the population in this very large proposed borough reside in Unalaska. The population will remain stable as long as the commercial fisheries remain stable. The famous crab stock crash of the early 1980s resulted in an exodus of community members from Unalaska. The economy of Adak was thriving when the military was present, but since the base closure has been struggling. Currently, the Adak economy relies on some fisheries related activity and government subsidies to exist. It is likely that if those subsidies go away, so will Adak. The recent addition of jet service to Adak will require an additional government subsidy to keep the airfield operable under FAA regulations.

Unalaska comprises 90% of the population in the model borough. Population alone does not make a borough feasible. The lack of economic diversity in Unalaska makes it hard to perform meaningful long-term planning. Processing plants are reluctant to make large investments due to the dynamics of the fisheries and ever increasing fixed costs.

Part 2. Populations Stability

The Aleutians West Model Borough Population Trends 1980-2000 illustrates the volatility of the region. In 1980, Adak had 3,315 individuals and today they have 316. From 1980 the region has dropped 43.7 %. Unalaska's growth has followed the lucrative upturn in commercial fisheries. As happens in a rapid growth cycle, this fishery was overcapitalized and was rationalized with the federal American Fisheries Act. Out of that legislation about 8 large vessels were removed from the fleet of factory trawlers. The North Pacific Fisheries Management Council is now working on a crab rationalization plan that is expected to reduce the number of crab boats that work in the region.

We believe the LBC and legislature must keep these facts in mind as decisions are made about economic and population stability in the western Aleutians region. As the fisheries undergo major regulatory changes, population growth trends will be affected.

Section D. Regional Commonalities

Subpart (a). Aleutians West Model Borough

The study indicates that the social, cultural, and economic activities in our region share commonalities that meet borough organizational requirements. As stated before, in each of these areas, the commonalities are superficial in key areas. Unalaska's characteristics overshadow those of the much smaller communities of Adak, Atka, and Nikolski and share nothing but geography with Attu and Shemya.

Subpart (a)(v) Public Safety Service Delivery

The draft report incorrectly refers to an Alaska State Trooper post in Unalaska. Only Fish & Wildlife Protection officers are stationed here. Troopers for this area are stationed in Dillingham.

Subpart (a)(xi) Dependence on a community for community transportation, entertainment, news and professional services

Unalaska is the transportation hub for Nikolski, Akutan, and Atka. From Adak and areas to the west, travelers must first fly to Anchorage. Only the military has air service to

Shemya and Attu. We believe the report should indicate, more correctly, that Anchorage is the transportation hub for a proposed Aleutians West Borough

Subpart (a)(xvi) Existence throughout the proposed borough of customary and simple transportation and communication patterns

Unalaska is not the communication hub for the Western Aleutians. As stated above, Unalaska is not the transportation hub for the entire western Aleutian region.

Transportation, whether by air or water, is very expensive and anything but simple in the Aleutians due to its remote location from the mainland and volatile weather conditions.

The other island communities in Alaska are served regularly by the Alaska Marine Highway System, which provides a less expensive alternative form of transportation to residents. Unalaska is the only southwestern community in Alaska and in the proposed borough served by the Marine Highway system, a service which is very limited and under periodic threat from legislative funding reductions.

Part 4. Natural Geography and Necessary Areas

The development of borough services is to be done in an efficient, cost effective manner. We guarantee that the formation and support for a 950-mile long borough will never be efficient or cost effective. We urge the LBC to go through a logistical exercise and attempt to schedule travel to all points in the Aleutians West Region. More than likely it will take at least a month to travel to the communities you reference in the model borough boundaries. A traveler should allow for three to four “weather days” for each community referenced. The farther out the chain you go the less frequent the flights.

Part 1. Best Interest of the State

There have been many articles in newspapers over the years, quoting legislators who would like the citizens of rural Alaska to pay their fair share of contributions towards education in their communities. Borough incorporation appears to be one way of ensuring that this concern is addressed. From the draft report, it appears that the best interest of the state is served if local governments pay a larger amount for education and other services. Unalaska is able to and has paid its fair share, especially with regards to education. In fact, the percentage of Unalaska’s local contribution is fast matching state dollars allocated for school funding. The community feels that its financial contribution and other forms of local support have resulted in a superior school. For more details, please refer back to our comments on Part 3, subsection (a), Education.

The City of Unalaska already has sales taxes, property taxes and fish taxes in place. The study indicates that the State encourages regions to assume and exercise local self-determination and provide municipal services that are funded and provided at the local level. The City of Unalaska has done just that. “Article X, Section 1 of Alaska’s constitution promotes maximum local self government which encourages the extension of borough government in areas that satisfy the standards for borough incorporation and annexation.” We believe what is lacking from this statement is the addition of “and such borough incorporation makes sense to the citizens of the borough.”

Section 1 declares in part, “The purpose of this article is to provide for maximum local self government with a minimum of local government units, and to prevent duplication of tax-levying jurisdictions...” In the case of the Aleutians West Model Borough, the borough could levy taxes but the burden would be on 90% of the citizens of the borough or Unalaska.

We recognize that the state legislature acts as the assembly for the unorganized borough and has the authority to mandate borough formation as was done in 1963. However, we believe borough formation should be decided at the local levels by a vote, as also provided for in the law.

The draft report only comments on the viability of the criteria outlined in statute and regulations. This report does not attempt to explain how much the state expects to save by mandating borough formation, specifically in our region. Neither does the report address how borough classes, taxing authorities, and taxing levels are established when borough formation is mandated. We have questions on who may set the level and type of taxation, if the voters do not do it. If the state sets a tax type and amount, it could be inadequate to support a borough. Would the voters in the borough be placed in the position to vote for added taxes to support a government they may not want? We feel more information is needed to answer questions like these and adequate time in which to respond to the information.

Conclusion. City of Unalaska Review of Aleutians West Model Borough

It appears that before any interpretation of the facts are made from this report with regard to the Aleutians West Borough Model, further investigation of the facts are warranted. We would expect to see and participate in a detailed transition plan. We urge the LBC and the legislature to authorize a comprehensive study that will answer these questions so that the communities can identify distinct advantages and disadvantages of borough formation.

LOCAL BOUNDARY COMMISSION
550 West 7th Ave. Suite 1770
Anchorage, Alaska 99501-3510

RE: Boundary region - Copper River Basin

Gentlemen:

The residents of the Copper River Basin do not want nor can they support Organized Borough Government. The State of Alaska and the Copper River Basin residents will both be losers if we are forced to accept borough government.

Our roads are minimally maintained; our volunteer fire department is supported by local and Alyeska Pipeline donations as is our EMT services; law enforcement is practically non existent. Due to State regulations we no longer have a local hospital, only a Clinic. Just a month ago a doctor at this clinic said, "That's the risk we take by living out here".

The majority of our residents are living at or below the poverty level. Very few have running water but must haul it for miles from a community well. Many do not commercial power due to the excessive cost.

The State of Alaska collects revenue from the Pipeline, pump stations, etc. and uses these dollars to fund our local schools. These funds would be awarded to local government and used to fund the newly formed bureaucracy. An adequate tax base is not available to carry the burden of Borough Government.

An Organized Borough along with it's inherent taxes will not change the status of community services. We have not asked for Government services and we certainly are not getting any.

It would be unwise and extremely unfair to impose Borough Government on us without our consent.

Sincerely,

Sharon R. Tyne of Glennallen



THORNE BAY BUSINESS ASSOCIATION

BUSINESSES BUILDING A MORE PROSPEROUS THORNE BAY, ALASKA
www.thornebayalaska.net email: tbba@thornebayalaska.net

P.O. Box 19492

Thorne Bay, Alaska 99919

February 6, 2003

Local Boundary Commission
550 West 7th Avenue, Suite 1770
Anchorage, AK 99501-3510
FAX: 907-269-4539

Dear Members of Local Boundary Commission:

The Thorne Bay Business Association opposes the formation of an Island-wide Borough on Prince of Wales Island. It is our opinion that the Island does not meet the standards set forth by the State of Alaska.

At the time of Thorne Bay's Incorporation, the Corporate limits were extended to 22.5 square miles including rural areas in need of future government services on the advice of the local Boundary Commission. It was considered a model for future incorporations by the LBC as it eliminated the need for another layer of government on the surrounding rural areas.

Economic Capacity of the Region

Ketchikan Pulp Company, the economic engine that drove this Island for fifty years, has departed. Ward Cove packing, our main fish buyer, has shut down due to low fish prices. Thorne Bay's citizens just increased our Sales Tax to 5% and still can't finance our small city on a sustaining basis. The amount of private property on Prince of Wales Island is very small. Most lands are owned by government and Native Corporations exempt from taxation. This includes housing in the four major communities. The property valuations in the study are no longer relative because of the bad economy. It is against these odds that we struggle and now are being asked to support another layer of government that we don't need.

Large and Stable Population

There has been a mass exodus of many of our Island's most productive people in the past three years due to lack of employment opportunities. We don't see a stable population here until a new long-term industry becomes established. The 2000 Census is no longer relative.

Interrelated and Integrated sufficiently to support a Borough Government

Being on the same Island doesn't necessarily make the diverse communities on this island integrated in interrelated. We have the communities of Pt. Baker and Port

Protection that are isolated by choice, the Native Communities that are fiercely independent with their own health systems, land base, hunting and fishing regulations, and local employment only open to natives. The East side communities of Thorne Bay and Coffman Cove were thrust into the Ketchikan election district against their will.

A Borough Government would serve the Broad Public

It is difficult to see how another underfunded level of government will serve the broad public. We see the situation in Ketchikan with all the bickering between the borough and the city; we don't need that here.

POWCAC has been a good start for our Island communities to work together and it is within our means.

The island School Boards are now meeting and planning together.

Rather than spend \$600,000 on another level of government that we don't need, let's forge ahead with POWCAC and work together so as to not use our capital funds to build competing entities, then come up with some enlightened way for the second class cities and unincorporated communities to start providing some monetary support to the school system. Some logical consolidations need to be worked out in the Island school system.


Jim Wilson


President, Thorne Bay Business Association

LOCAL BOUNDARY COMMISSION
550 West 7th Ave. Suite 1770
Anchorage, Alaska 99501-3510

RE: Boundary region - Copper River Basin

Gentlemen:

The residents of the Copper River Basin do not want nor can they support Organized Borough Government. The State of Alaska and the Copper River Basin residents will both be losers if we are forced to accept borough government.

Our roads are minimally maintained; our volunteer fire department is supported by local and Alyeska Pipeline donations as is our EMT services; law enforcement is practically non existent. Due to State regulations we no longer have a local hospital, only a Clinic. Just a month ago a doctor at this clinic said, "That's the risk we take by living out here".

The majority of our residents are living at or below the poverty level. Very few have running water but must haul it for miles from a community well. Many do not commercial power due to the excessive cost.

The State of Alaska collects revenue from the Pipeline, pump stations, etc. and uses these dollars to fund our local schools. These funds would be awarded to local government and used to fund the newly formed bureaucracy. An adequate tax base is not available to carry the burden of Borough Government.

An Organized Borough along with it's inherent taxes will not change the status of community services. We have not asked for Government services and we certainly are not getting any.

It would be unwise and extremely unfair to impose Borough Government on us without our consent.

Sincerely,

Lois Ann Thomas

Joseph Thomas

HC 60 Box 232B

Copper Center

Alaska 99573

STATEMENT OF VIEWS ON BOUNDARY FORMATION IN ALASKA

By

**Nancy (Cannington) Galstad and Kathie Wasserman, DBA SOLUTIONS Inc
Former Local Boundary Commissioners (1995-2001)**

We believe everyone involved in the process of borough formation in Alaska finds the current process flawed, with no offer of incentives. We would request that the Local Boundary Commission include our comments in their February 19th report to the Alaska State Legislature in addressing this issue.

As former Commissioners on the Local Boundary Commission, we believe the process needs to be reviewed and *changed*. We are not alone in this belief, as Southeast Conference, the Southeast Conference of Mayors, the Alaska Municipal League and some municipalities, have recently passed resolutions that call for the establishment of more flexible boundaries. We support that resolution in that it requests a review of the regulations and standards under which the Model Borough Boundaries were established. The current process, based on the Model Borough Boundaries, attempts to *force* unrealistic borough boundaries upon huge areas that may encompass differing cultures and tribes, differing economic circumstances, and does not, in most cases, follow the Regional Education Attendance Areas (REAs) as mandated in AAC 3. 110.060(c).

The December 9th meeting includes mention that a few complaints have been received regarding the REAs. While Model Borough Boundaries are said to closely link with REA boundaries, only three of the eight actually do so. Further, REA complaints would probably not be directed to the Local Boundary Commission, but rather to the Alaska Department of Education. Even if problems do exist with REA boundaries, they do not affect nearly the number of people that problematic borough boundaries might.

The Commission Chairperson, in the December 9th meeting, acknowledged in passing, the resolution accepted by the Southeast Conference of Mayors, Southeast Conference and the Alaska Municipal League concerning the revisit and/or updating of the Model Borough Boundary study. However, the Commission then immediately proceeded with the list of potential borough areas based on that same current Model Borough Boundary study that was at issue with so many local government officials.

The Model Borough Boundaries were established in 1991, through a process of public hearings, held by a former Local Boundary Commission. The economic climate in Alaska was much different than today. The three major economic influences upon which the state relied for revenues (oil, fishing and timber) were still very healthy. Through regulation changes, declines and differing world markets, impacts have been felt in all Alaskan communities. As the State of

Alaska has had to rein in its spending habits, the burden and shortfall for many services has been shifted to local governments. Local sales tax revenues have been negatively impacted by e-commerce, while the Legislature has been considering a statewide sales tax, which would further erode the ability to tax locally. All this and more has happened since 1991. These changes have impacted not only local economies, but also population demographics due to the loss of jobs.

Changing factors in our State are many; population shifts, resource declines, economic changes, stronger acknowledgement of cultural ties, reapportionment, etc. As usual, the DCED staff, with regard to SB 359, has done an exemplary job of pulling so much information together in such a short amount of time. However, due to no fault of their own, much of the information is already outdated with regard to area conditions. If pertinent information, gathered a number of weeks ago is not current, this only reinforces the need for flexible standards that are based on changes in communities, not changes in Commissioners or Commissioners' changing interpretations.

The Local Boundary Commission seems to give little weight to these issues as they carry out the mandate of SB 359. In the December 9, 2002 meeting, the Commission Chairman recommended, with Commission concurrence, that the Model Borough Boundaries be adopted as a starting point for their discussion. Herein lies the problem. How is a solution possible if the "problem" is adopted as the starting point? The Alaska Constitution, Article X, Section 3, requires the entire state to be divided into boroughs, organized and unorganized. It further provides that each borough must embrace an area and population *with common interests to the maximum degree possible* (emphasis added). The Model Borough Boundary philosophy seems to contradict this constitutional standard.

The Alaska Constitution further, allows for *mergers and consolidations*. This standard appears to be ignored by DCED and the LBC when looking at borough formations. If areas are forced to encompass such huge areas to begin with, as the Model Borough Boundaries dictate, mergers and consolidations in the future would be impossible due to their unmanageable size.

We believe that the actual Commission process warrants change, as well. Law forbids LBC Commissioners from having ex-parte contact (3AAC 110.500) with *anyone other than DCED staff* concerning any pending petition/action before the Commission. DCED staff advises petitioners, assists with the petition process, researches, reviews and evaluates the petition. DCED then produces a Preliminary Report that is made public and allows for responsive comments. This is followed by a Final Report with recommendations to the Commission to adopt, deny, or adopt the petition with modifications.

Generally at the juncture between the Preliminary and Final Report, the Commission receives the first information it has seen on the petition. This comes

in the form of a stack of documents that includes all substantiating documentation (petition, maps, audit reports, independent studies, etc.) from the petitioner, written public comments (which at times can be substantial) the Preliminary Report with recommendations and the Final Report. This huge amount of paperwork (record, November 2001, Homer Annexation – 37 lbs. of paperwork) must be read, analyzed and compared to the recommendations of staff in a very short period of time by unpaid Commission appointees who have full-time jobs and families. Included in this time period is travel to and from the hearing site.

While we understand the need to limit *ex parte* contact, we believe that the Commission should be actively *involved* in the decision-making process as it develops. They should receive any materials at the time those materials are accepted for consideration by staff, and attend any required public hearings held within the affected areas. This would allow them the opportunity to receive a fair and balanced picture of the proceedings rather than relying on the information once the petition process, absent the final public hearing, is completed.

One suggestion might be to place the Commission under the Department of Law, as the Commission is deemed to be a *quasi-judicial* body. The legislature needs to provide more staff positions as the huge workload currently rests on one staff member and his technical assistant. Absent the institutional memory and tremendous dedication of this 23-year LBC employee and his assistant to handle the workload of many, one cannot imagine the void that would be created or the resultant backlog of petitions.

We further believe that, as requested by Southeast Conference, Southeast Conference of Mayors, the Alaska Municipal League and municipalities, that a review of the standards should be undertaken. We view the Model Borough Boundaries standard to be a major disincentive for borough formation and feel it should be deleted from the Administrative Code. However, if there is to be such a thing as “model borough boundaries,” they should have a complete review every five years to consider the changes in the economic climate affecting jobs, population shifts, education and the very ability of local government to operate efficiently and effectively.

We feel the process has evolved into something different from that envisioned by the founders of our Constitution. Alaska Statutes were developed as a guide to form boroughs. Those statutes are straightforward and clear. The development of Administrative Code standards by the DCED is, however, where the process begins to erode; one of them being the standard for the Model Borough Boundaries (3 AAC 110.190 (c)). In our opinion, this standard has been held to as high a standard and weighted as heavily in the decision making process as the Constitution or the Alaska Statutes.

The Commission states they are given broad latitude in decision-making, however, we do not see that power given under law, but instead only through Supreme Court decisions (*Mobil Oil Corporation v. Local Boundary Commission*, 518 P.2d, 92,98, Alaska, 1974 and *Valley's Borough Support Committee v. Local Boundary Commission*, 863 P.2d 232,234 Alaska, 1993). It is apparent to us that DCED has exercised that broad latitude to interpret whether standards are met to a degree that a petitioner cannot possibly meet if they have not first met the preconceived idea of DCED's concept of "how the state should look." A *prime* example is the recent denial of the only borough proposal to come before the Commission in over 10 years. Skagway borough proposal (September, 2002) demonstrated that it had much more "common interest" with its neighbor, the Yukon Territories, than it did with its neighbor, the Haines Borough. Yet, the petition was denied. The "common interests" with Haines was touted to be manifest, though testimony from representatives of both Skagway and Haines argued to the contrary. The Haines Borough even passed a resolution in support of a Skagway borough.

Absent any clear and convincing reason to deny Skagway's petition based on the standards, language was used, such as "*narrowly meets*," *minimally met*," "*in a narrow interpretation of*," "*when applied in the proper regional context*," "*when...standard is applied in an appropriately broad context*," "*when applied in the broader regional context*," and "*unjustifiably small*," in the Preliminary Report (emphasis added). In the final decisional transcriptions, the Skagway petition was denied based on a number of points pulled from a dissenting opinion from an earlier Yakutat Borough formation. These points were not discussed by Commissioners in the public hearing from which the transcriptions were based. They were added after the fact.

It is interesting to note that in the Commission's first cut to forward to the legislature, the list of areas that could potentially form boroughs is based on economic ability. As much of this whole discussion centers on economics, we find it ironic that a community such as Skagway, having proven itself financially capable of supporting borough government and in light of increased pressure for areas to form boroughs, saw their petition denied by the Local Boundary Commission. The "future" decline of areas is used as a basis for exclusion from this list of eight, as well. This also seems confusing as the trend of increases in the Skagway area was disregarded during that hearing.

This current push for borough formation is based on action from legislators who are concerned with the transfer of education costs onto local governments and other economic factors. Let us not forget, however argued, that Impact Aid/PILT is indeed a local contribution and should be recognized as such. The state must provide incentives to form boroughs such as a less restrictive and tedious permitting process and should agree to be a partner in the development of local government entities.

It should be noted that there are 11 First Class or Home Rule cities in the list of eight potential boroughs to be forwarded to the Legislature. Those communities already support their own schools. Those small communities in outlying areas, as stated over and over in the report done by LBC staff, often are subsistence communities without the ability to pay for their own schools. Therefore, will we simply see the burden of supporting schools go from the State coffers to the Borough coffers, supported by the tax payers in the “wealthier” communities and/or simply surrounded by large expanses of uninhabited land, changing virtually nothing.

Mention is made throughout the LBCs public meetings regarding the lack of time with which to accomplish this task. We agree that it is unfortunate that an issue of such concern to the residents of the State, and which involves so many aspects of state and local government, should be required to be completed in such a short time, allowing no time for site visits and very little for public involvement and/or comments. The December 9th meeting briefly mentions face-to-face comments and travel to affected communities, but we have seen no sign of that to date. Without a public process that allows the opportunity and time to suggest alternatives and options about our own areas, much less the list of eight areas potentially forwarded to the Legislature, how can one reasonably and credibly answer one of the Commissioner’s ill-defined questions as to whether the list of eight areas seem “out of whack?”

During the January 22, 2003 “listen only” meeting, reference was made to the inclusion of Kake and Angoon into the Glacier Bay Borough. On what basis was this idea formed? Has there been public comment requesting or suggesting this new configuration? Has there been any investigation into actual distance, transportation, communication and issues with these areas? More importantly, however, these types of suggestions show that the standards continue to be moving targets, leaving the public unsure as to when areas will be held to the strictest letter of the regulations (i.e. Model Borough Boundaries) and when the regulations will be disregarded substantially.

We are unclear as to why the decision was made to exclude areas that are partially in existing boroughs? Again, Skagway, attempted to accept the obligations of a borough government, but has been removed from the list that instead focuses on areas that have not (up to this point) actively stepped forward, for a number of various reasons. According to transcriptions, some of these decisions were made based on the “familiarity” of the Anchorage Chairman, to certain locales. If the rest of the Commission is not allowed adequate time to research this list on their own, this method seems tenuous at best, producing results based not on facts, but on summations.

We are concerned as to the State’s long-range plans for those communities whose names will NOT be passed on to the Legislature. Will we simply continue to have some areas organized and others unorganized as now, simply changing

the configuration? Or rather, can we instead spend the time identifying incentives and flexible, evolving methods to accomplish borough formation across the entire state; methods that work positively for communities, rather than methods that are driven by fear of what the State or neighboring areas might do?

Until now, the State Legislature has been unwilling to serve as the Assembly of the Unorganized Borough. They have failed to provide the \$30,000 appropriation for Borough Feasibility studies under AS 44.33.840. The Local Boundary Commission spent much time discussing a cover letter meant to assure the people of Alaska that this report was given to the Legislature NOT to be used as a precursor to the State's requirement of a petition from the affected areas. However, the results of this report will have very little to do with the spirit in which the report is delivered, but rather in the spirit of how the Legislature decides to accept it. If the State of Alaska can establish a means to make uniform comparisons of the property tax base of municipal governments, it can certainly provide for clean and concise language in standards to be met to form boroughs.

To summarize, we believe that concentration must be given to the big picture. What is the overall goal and how do we get there in ways that benefit the residents of this State, as well as their local and State governments. We think it is unwise to proceed with a method that can only serve to continue to be met by a percentage of the State. We would propose addressing first the incentives or lack thereof, and the barriers that discourage or prohibit an area from borough formation. We would be happy to help identify specifics as they relate to these suggestions.

PRINCE OF WALES COMMUNITY ADVISORY COUNCIL

Chairman: Jon Bolling, Craig
Vice Chairman: Craig Templin, Whale Pass
Secretary/
Treasurer: Eileen Scheldt, Thorne Bay

PO Box 725
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(907) 826-3275
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February 6, 2003

Mr. Kevin Waring
Chair, Local Boundary Commission
550 West Seventh Ave
Suite 1770
Anchorage, AK 99501

Dear Mr. Waring:

The membership of the Prince of Wales Community Advisory Council (POWCAC) has reviewed Chapter Three of the Public Review Draft of the LBC's Review of the Unorganized Borough. POWCAC offers the following comments on the portions of the draft detailing economic capacity and population size and stability.

Economic Capacity

Section B of Chapter 3 details the economic capacity of the eight model borough areas. POWCAC believes Section B misrepresents revenues available locally, and fails to account for significant changes that may impact existing municipalities should Prince of Wales (POW) Island form a borough government.

While, as the study states on page 9, four of the last five borough governments formed do not levy a property tax, it is also true that all boroughs in Southeast Alaska do levy such taxes. The four newest boroughs that do not levy property taxes generate income from excise taxes on uniquely valuable resources not available to the POW model borough. Northwest Arctic Borough (Red Dog Mine), Denali Borough (Usibelli Coal Mine), Lake and Peninsula Borough (Bristol Bay fisheries), and Aleutians East Borough (Bristol Bay fisheries) all levy resource taxes on resources that occur in volumes and with the dollar values found locally. The proportion of resource values to the population served in these four areas does not exist in the unorganized area in Southeast Alaska. Given the severe impacts to the Bristol Bay fisheries in recent years, and the loss of borough revenue that resulted, it seems unlikely that the Lake and Peninsula Borough and Aleutians East Borough would have organized as boroughs today.

POW faces similar economic impacts from its own resource industries. Prices for commercially caught fish have been depressed for several years. In September of last year the Southeast Conference of Mayors voted unanimously to ask Gov. Knowles to

PARTICIPATING COMMUNITIES:

Coffman Cove, Craig, Hollis, Hydaburg, Kasaan, Klawock, Naukati, Thorne Bay, Whale Pass

Comments to LBC
February 6, 2003
Page 2

declare a economic disaster due to chronically low prices for salmon. Since then, Ward Cove Packing, the single largest fish buyer and processor in Alaska, announced the permanent end to their activities in most Alaska fisheries, and the sale of all their Alaska properties. Likewise, significant losses to the timber industry since 1994 eliminate it as a source for direct tax revenues to any potential borough government.

Subpart (b) of Part 4 of Section B details several state and federal aid programs available to the eight model borough areas under study. The report does not, however, account for the funding that communities in the unorganized borough currently receive from these programs, and how that funding will change with the establishment of a borough. If it is appropriate to summarize the revenue sources resulting from the establishment of a POW Borough from these aid programs, it is also appropriate to estimate the revenue losses to communities within any subsequent POW Borough. It is further necessary to determine the impact that the estimated funding loss will have on each community in the borough.

In the case of the cities of Craig, Hydaburg, Klawock, Thorne Bay and Coffman Cove, for example, National Forest Receipts funding that is not earmarked for education currently totals approximately \$270,000 per year. Loss of this revenue source is obviously significant to these small communities, all of which have general fund budgets of less than \$2 million, yet the study fails completely to address this important impact. These cities can expect funding losses from other programs from which they currently receive funding should a POW Borough form. For POW and the other seven areas under study, a complete analysis of what will change with regard to these funding programs is an essential part of the review and must be included in the study.

Similarly, while the study claims a municipal land entitlement is due to newly formed boroughs, there is no detail regarding the extent of vacant, unreserved, and unappropriated state lands in the eight model boroughs under review. If, as the study states, municipal entitlement lands may be sold to generate revenues for a new borough, the extent to which a model borough can reasonably rely on this revenue source requires at least some inventory of potential entitlement properties in each borough.

At page 98, under the heading "Geographical similarities" (subpart (g)(xii)), Chapter Three incorrectly states "[t]he communities within the Prince of Wales Model Borough boundaries share attributes. Hatcheries in all communities provide for jobs and help stabilize the fishing economy." There is only one hatchery on Prince of Wales Island. It is located on the Klawock River, near the City of Klawock. Communities from across the island do not share in hatchery employment. The hatchery, which is operated by a private non-profit foundation (and not the State of Alaska, as reported in Chapter Three) has four full time employees. Four other part time workers are hired seasonally. Employees reside in the Craig/Klawock area. Because hatcheries do not occur in all communities on POW, subpart (g)(xii) does not adequately address geographical similarity criteria.

Also missing is an analysis of the amount of funding each borough can expect from the revenue sources identified in subpart (b). The study frequently lists the aggregate amount

Comments to LBC
February 6, 2003
Page 3

available statewide from each source, but makes no effort to determine what each of the eight areas under review might receive. An individual analysis of revenues each model borough might expect to receive is needed to fairly estimate borough revenue. For example, while National Forest Receipts (NFR) payments to communities in the Tongass National Forest currently total approximately \$9 million, only \$7.6 million of that amount is earmarked for education. Further, the study does not take note of the fact that the NFR program is operating on a temporary safety net basis. Current NFR payments are not based upon actual revenues from the forest, as they were until 2000, but on a guaranteed payment amount scheduled to sunset in 2006. If NFR payments to communities were based on actual receipts from the forest, then the State of Alaska and the 25 eligible communities in the Tongass would have split only about \$821,000 among them in 2002, with about 40 percent of that amount going to organized boroughs in Southeast Alaska. Chapter Three cannot be considered complete without a full accounting of the NFR and other funding programs.

The lack of a thorough, detailed analysis of revenues available to the eight model boroughs in the study, and the impacts to existing communities within those model boroughs, does not support the conclusion on page 51 of Chapter Three, that each of the eight areas under review has the financial resources capable of providing borough services.

Finally, regardless of how it is analyzed, the Prince of Wales area is far too economically impacted to effectively support a borough government. The area is in the bottom quarter of per capita household income (p.49), bottom third of per capita income (LBC Composite Ranking Worksheet), bottom quarter of median household income (LBC Composite Ranking Worksheet), bottom quarter of estimated average household income (p.50), the bottom half of Adults not Working (p. 25), bottom half of unemployment (p.24) with seasonal highs in excess of 20%, and bottom half of percent poverty (LBC Composite Ranking Worksheet). Surely the LBC would agree that the forced application of borough government here is not the solution to these economic problems.

Population Size and Stability

The report concludes that the POW model borough has a population stable enough to support borough government. But the report gives an incomplete profile of the local population.

The report states that POW population dropped 2.5% between 1990 and 2000. While that may be true, it is also true that the island's population continues to fall. The 2002 population estimate from the Alaska Department of Community and Economic Development (DCED) shows continuing declines in the area's population. Population changes since 1990, as provided by the DCED, are shown below.

Comments to LBC
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Page 4

POPULATION TRENDS - PRINCE OF WALES ISLAND

	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
POW	4,139	4,286	4,581	4,886	5,093	5,101	5,184	4,968	5,008	5,042	4,822	4,828	4,652

The island's population changed significantly during the decade, with a more than 20 percent fall from the 1997 high. Just since the decennial census, the island's population has dropped by ten percent. That drop is part of a persistent and worrisome trend that began in 1998, and has led to the departure of nearly 1,000 residents. POWCAC fails to see how such changes in population can be characterized as stable, even in the context of supporting borough government. While POWCAC does not believe the Island's population will not drop below the 1,000 person presumptive minimum, the proportional declines are significant enough in degree and duration to adversely affect a potential borough level government.

Focus of Debate

It is common knowledge that funding for schools, specifically REAA funding, is the driving force behind the legislation that authorized the unorganized borough study. All parties to this issue are better served by focusing on REAA funding, rather than the larger issue of borough formation. While boroughs are one way to compel local contribution to schools, there are other solutions that do not also create a host of new problems for rural communities forced into organized boroughs.

At the January 28, 2003 POWCAC meeting in Thorne Bay, much of the discussion centered around the REAA funding issue. It is clear from that meeting that residents of the island are willing to discuss the merits of REAA school funding on its own terms. Such a dialog allows the legislature to work collaboratively with area residents on a change to school funding without imposing an ill-fitting regional government entity on Prince of Wales Island.

Providing for local funding of REAA schools from the communities they serve is certainly the most narrowly tailored possible solution. POWCAC urges the LBC to address this alternative in its report to the legislature.

Sincerely,


Jon Bolling
POWCAC Chairman

February 6, 2003

Mr. Kevin Waring
Local Boundary Commission
550 West 7th Ave, Ste 1770
Anchorage, AK 99501

Dear Mr. Waring:

I would like to express my concerns regarding the Local Boundary Commission's Review of the Unorganized Borough. While the Review has very real and glaring inaccuracies based on incomplete information, I believe the real issue for POW Island residents is the fact that this study was put together without any input from local communities. No municipality or homeowners association was given the opportunity to comment on the Review. There were no public meetings held to present the Review to the communities. The only Public Hearing offered, comes after the fact and really does not give concerned citizens a chance to speak. The way that the hearing is structured, only 5 people from Prince of Wales outside of Craig will be given a chance to speak. There are 11 communities outside of Craig, and this formula will deny at least 6 of them a voice. Included in the issue is the funding for school districts. In fact, REAA funding seems to be the driving force behind this commission, and this Review. It seems to me that all of the money the State would have to spend turning Prince of Wales into a Borough might be better spent working with the Island communities on solving this single issue. Why this option was not brought to the table is a mystery to me. Both of my parents are immigrants to the United States and they always taught me that this government is the best in the world because it is "government of the people, for the people and by the people." How disappointing to find that this is not so.

Sincerely,

Karen Petersen
P.O. Box 19515
Thorne Bay, AK 99919

Local Boundary Commission

From: "Wendy Svarny-Hawthorne" <WendySvarny@ounalashka.com>
To: <LBC@dced.state.ak.us>
Sent: Thursday, February 06, 2003 5:00 PM
Subject: Borough Incorporation Public Comment -- Aleutians West Model Borough

Dear Commission Members,

Ounalashka Corporation (OC) is the Native village corporation of Unalaska, Alaska, formed in 1973 under the Alaska Native Claims Settlement Act of 1971. As the major landowner within the City of Unalaska, OC pays the bulk of property taxes in the Aleutians West Model Borough.

We cannot see any benefit to the formation of a borough at this time for the following reasons:

- While the combined communities' populations are large enough to form a borough, 90% live, work and pay taxes in Unalaska.
 - Only Unalaska collects property taxes
 - Unalaska collects sales tax
 - The other communities do not tax property or sales, with the exception of Adak
- Unalaska supports itself economically as a municipality. While Unalaska may help the model borough meet economic standards for forming a borough government, the rest of the communities in the model do not have the revenue and will not be able to contribute to the support of a borough government.
 - The community of Unalaska would end up supporting the other communities' combined populations of 543.
- Unalaska may be within a common zone regarding the REAA standards, but Unalaska has its own successful and highly effective school district. Forming a borough would damage Unalaska City School District's ability to provide the high quality education to which the City's residents have grown accustomed.

We respectfully request that the Local Boundary Commission allow the Aleutians West Model Borough to remain unorganized until such time that there is more equity between the proposed model's member communities.

Wendy Svarny-Hawthorne, CEO
Ounalashka Corporation
 PO Box 149
 400 Salmon Way
 Unalaska, Alaska 99685-0149
wendysvarny@ounalashka.com

LOCAL BOUNDARY COMMISSION
550 West 7th Ave. Suite 1770
Anchorage, Alaska 99501-3510

RE: Boundary region - Copper River Basin

Gentlemen:

The residents of the Copper River Basin do not want nor can they support Organized Borough Government. The State of Alaska and the Copper River Basin residents will both be losers if we are forced to accept borough government.

Our roads are minimally maintained; our volunteer fire department is supported by local and Alyeska Pipeline donations as is our EMT services; law enforcement is practically non existent. Due to State regulations we no longer have a local hospital, only a Clinic. Just a month ago a doctor at this clinic said, "That's the risk we take by living out here".

The majority of our residents are living at or below the poverty level. Very few have running water but must haul it for miles from a community well. Many do not commercial power due to the excessive cost.

The State of Alaska collects revenue from the Pipeline, pump stations, etc. and uses these dollars to fund our local schools. These funds would be awarded to local government and used to fund the newly formed bureaucracy. An adequate tax base is not available to carry the burden of Borough Government.

An Organized Borough along with it's inherent taxes will not change the status of community services. We have not asked for Government services and we certainly are not getting any.

It would be unwise and extremely unfair to impose Borough Government on us without our consent.

Sincerely,

Wm McRobert
P.O. Box 268

Glennallen, AK
99588

822-5414

LOCAL BOUNDARY COMMISSION
550 West 7th Ave. Suite 1770
Anchorage, Alaska 99501-3510

RE: Boundary region - Copper River Basin

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It would be unwise and extremely unfair to impose Borough Government on us without our consent.

Sincerely,

Dusty & Sam KyzA (Knightrun) Sled Central
(Polaris)
P.O. Box 574
Glennallen AK 99588
Sled Central - Business Owners



Klawock City School District

P.O. Box 9 Klawock, Alaska 99925 907-755-2220 Fax: 907-755-2913

Richard E. Carlson
Superintendent

Donald H. Busse
K-12 Principal

Proposed Resolution Against Mandated Boroughs

The Klawock City School District strongly opposes any mandatory formation of boroughs. Requiring mandatory boroughs significantly reduces the level of local control of education. Further by requiring communities to form a common borough, cultural, traditional and historical values are compromised and we believe the overall effectiveness of education is lessened. We further believe that any effort to mandate boroughs ignores the economic reality of the lack of an adequate tax base in many areas of the State.

Therefore we call upon our State leaders to support the concept of local control and oppose mandatory boroughs.

Cindy Mills
Cindy Mills, President

Date: 1-27-03

Mary Edenshaw
Mary Edenshaw, Vice-President

Date: 1-27-2003

Teresa Brown
Teresa Brown, Clerk

Date: 2-3-03

Donna Jackson
Donna Jackson, Member

Date: 1/28/03

Karen Cleary
Karen Cleary, Member

Date: 01-27-2003

MEETING TOMORROW'S CHALLENGES TODAY
klawock.k12.ak.us

**Organized Village of Kake****P.O. Box 316****Kake, Alaska 99830-0316**

Telephone 907-785-6471

Fax 907-785-4902 / email KeexKwaan@starband.net**(Federally Recognized Tribal Government serving the Kake, Alaska area)**

February 6, 2003

delivery via fax transmittal to 907-269-4539

Mr. Dan Bockhorst
Division of Community & Business Development
Department of Community & Economic Development
550 West 7th Ave., Suite 1770
Anchorage, AK 99501-3510

RE: OVK Resolution No. 2002-21 – Opposition to Proposed Petersburg Borough Boundary

Dear Mr. Bockhorst:

As mentioned during our 02/04/03 meeting earlier this week at your office, we are submitting the attached *OVK Resolution No. 2002-21 – Opposition to Proposed Petersburg Borough Boundary*, as adopted by our tribal council on 12/19/02. Additionally, a copy of OVK Resolution No. 98-22 is being included, which is referenced in 2002-21. Please add these to our office's comments expressed in our letter dated 01/29/01 and its attachments, which we hand-delivered on 02/04/03.

Again, thank you for the time this week when you and Gene Kane met with City of Kake representatives and our tribal council president and myself. It allowed us to gather background and historical information regarding the borough issue, while also providing an excellent opportunity to present our position. Beyond the materials submitted thus far by our governments here in Kake, we look forward to the opportunity for other interested citizens to express their viewpoints during the telephonic hearing this coming Saturday, 02/08/03.

If any additional materials or information may be needed, please advise. Note that besides the contact information in our letterhead, my direct office email address is ovkgovt.garyewilliams@usa.net.

Sincerely,

Gary E. Williams
OVK Executive Director

enclosures: OVK Resolution No. 2002-21
OVK Resolution No. 98-22

cc: Mayor Paul Reese – City of Kake

**Organized Village of Kake**

P.O. Box 316

Kake, Alaska 99830-0316

Telephone 907-785-6471

Fax 907-785-4902 / email KeexKwaan@starband.net

(Federally Recognized Tribal Government serving the Kake, Alaska area)**Resolution No. 2002-21 – Opposition to Proposed Petersburg Borough Boundary**

WHEREAS, the Organized Village of Kake (hereinafter OVK) is a duly constituted Indian Tribe organized pursuant to the authority of the Federal Indian Reorganization Acts (hereinafter IRA) of 1934 & 1936 with the IRA Council as the duly elected governing body formed under its *Constitution & By-Laws*; and,

WHEREAS, the IRA Council has responsibilities to its Tribal Citizens (population of 600 residing in the Kake area) that include, among others, powers of authority to “protect the general welfare and security of the Village” and “protect and preserve the timber, fisheries and other property and natural resources” as put forth within the OVK *Constitution & By-Laws*; and,

WHEREAS, the lands and waters of Southeast Alaska in and around the current site of Kake, Alaska have been the traditional territory of the Kake Indians since time immemorial and includes, but is not necessarily limited to, a range that includes areas of Kupreanof, Kuiu, and Keku Islands; plus portions of Baranof, Admiralty, and Prince of Wales Islands; plus portions of the mainland; plus adjacent lands & waters to the aforementioned and other that has been or continues to be used by the Tribe; and,

WHEREAS, the Kake Indians functioned as a sovereign over this territory through a traditional form of tribal government since time immemorial; and,

WHEREAS, the Kake Indians, now functioning under a contemporary tribal government structure as referenced above under the governing powers of the Organized Village of Kake, continues to be recognized by the United States of America as a sovereign government; and,

WHEREAS, the governing body of OVK, and earlier forms of local tribal government, have never made agreements or treaties with other governments or entities (including Russia, United States and the State of Alaska) to relinquish any of the traditional lands, rights or precepts associated with Indian Country; and,

WHEREAS, information has been published which reports that the Petersburg City Council is proposing a Petersburg Borough, whose westerly boundary runs generally south from Big Creek to Big John Bay on Kupreanof Island which takes an inordinate share of the island with virtually no regard to Kake's interests; and,

WHEREAS, OVK previously passed Resolution No. 98-22 on 09/22/98 entitled *Proposed Petersburg Borough Boundary*, which was subsequently submitted to Peter Freer of the State of Alaska Department of Community & Regional Affairs; and,

WHEREAS, the City of Kake which is the State chartered municipal government has passed Resolution No. 2002-04 on 09/20/02 entitled *Opposition Resolution for the Petersburg Borough Formation*, which has been provided to OVK.

THEREFORE BE IT RESOLVED, that the OVK IRA Council strongly objects to Petersburg's proposed boundary that takes an unfair share of Kupreanof Island and leaves Kake, which is located on Kupreanof Island, a ridiculously small portion – whether viewed from a perspective of what simply looks & seems fair or from a historical use perspective established from time immemorial; and,

OVK Resolution No. 2002-21

Page 2

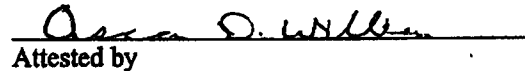
BE IT ADDITIONALLY RESOLVED, that in respect to the proposed Petersburg Borough boundary, OVK proposes that all of Kupreanof Island be retained under the use area of Kake and included with other Kake use areas for any future borough consideration, which is based on historical use and also contingent upon interest from the City of Kupreanof to join with any efforts from OVK and the City of Kake to organize a borough; and,

BE IT FINALLY RESOLVED, that the OVK IRA Council formally requests all governments and entities to maintain direct contact with OVK on the above Petersburg Borough Proposal, or any matters that may affect the People of Kake and/or the traditional lands & waters that have been the territory of the Kake Indians since time immemorial.

CERTIFICATION

This resolution was duly adopted at an IRA Council meeting held this 19th day of DECEMBER 2002 by a quorum of 5 (includes president as non-voting chairperson except in case of tie vote) with 4 yes votes, 0 no votes, and 0 abstaining.


Casimero A. Aceveda Jr., President


Attested by

Resolution KA-03-02-001**A RESOLUTION OPPOSING THE PROPOSED PRINCE OF WALES ISLAND MODEL
BOROUGH BY THE STATE OF ALASKA LOCAL BOUNDARY COMMISSION**

WHEREAS, the City of Kasaaan is a Second-class City, and

WHEREAS, the City of Kasaaan City Council is the governing body of the City, and

WHEREAS, the City has identified inaccurate and /or outdated information in the Prince of Wales Island Model Borough proposal;

WHEREAS, the City is willing to consider and encourage alternative ways and means to reduce the burden of State of Alaska expenses required to service Prince of Wales Island communities;

NOW, THEREFORE, BE IT RESOLVED, that the City of Kasaaan finds that economic data used by the Local Boundary Commission (LBC) in formulating candidacy for a Prince of Wales Island does not reflect the collapse of the commercial fishing industry due to the closure of the Ward Cove Fisheries, as well as the recent filing for bankruptcy by the largest remaining logging concern, Silver Bay Timber; and

NOW, THEREFORE, BE IT RESOLVED, the Kasaaan City Council notes that, as a result of the collapse of mainstay industries on Prince of Wales Island, population estimates in the LBC proposal will necessarily be lower and factor dramatically into the ostensible ability of a reduced population to support the additional taxation to support Borough government; and

NOW, THEREFORE, BE IT RESOLVED, that the City of Kasaaan hereby requests that the State of Alaska Local Boundary Commission indefinitely delay further efforts to create a Borough on Prince of Wales Island; and


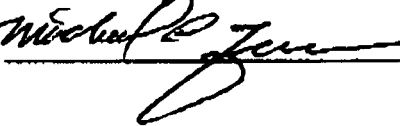
NOW, THEREFORE, BE IT FURTHER RESOLVED, that the City of Kasaaan encourages the State of Alaska to encourage the four organized school districts on Prince of Wales Island to consolidate into one as an alternative measure in reducing State of Alaska expenditures to Prince of Wales Island.

PASSED AND APPROVED

By a duly constituted quorum of the City Council this 6th day of February, 2003.

Mayor

City Clerk

**Organized Village of Kake****P.O. Box 316****Kake, Alaska 99830-0316**

Telephone 907-785-6471

Fax 907-785-4902 / Email ovkgovt@seaknet.alaska.edu

(Federally Recognized Tribal Government serving the Kake, Alaska area)**Resolution No. 98-22 - Proposed Petersburg Borough Boundary**

COPY

WHEREAS, the Organized Village of Kake (hereinafter OVK) is a duly constituted Indian Tribe organized pursuant to the authority of the Federal Indian Reorganization Acts (hereinafter IRA) of 1934 & 1936 with the IRA Council as the duly elected governing body formed under its *Constitution & By-Laws*; and,

WHEREAS, the IRA Council has responsibilities to its Tribal Citizens (population of 615+ residing in the Kake area) that include, among others, powers of authority to "protect the general welfare and security of the Village" and "protect and preserve the timber, fisheries and other property and natural resources" as put forth within the OVK *Constitution & By-Laws*; and,

WHEREAS, the lands and waters of Southeast Alaska in and around the current site of Kake, Alaska have been the traditional territory of the Kake Indians since time immemorial and includes, but is not necessarily limited to, a range that includes Kupreanof, Kuiu, Baranof and Admiralty Islands and adjacent mainland areas; and,

WHEREAS, the Kake Indians functioned as a sovereign over this territory through a traditional form of tribal government since time immemorial; and,

WHEREAS, the Kake Indians, now functioning under a contemporary tribal government structure as referenced above under the governing powers of the Organized Village of Kake, continues to be recognized by the United States of America as a sovereign government; and,

WHEREAS, the governing body of OVK, and earlier forms of local tribal government, have never made agreements or treaties with other governments or entities (including Russia, United States and the State of Alaska) to relinquish any of the traditional lands, rights or precepts associated with Indian Country; and,

WHEREAS, information has been published which reports that the Petersburg City Council is proposing a Petersburg Borough, whose westerly boundary runs generally south from Big Creek to Big John Bay on Kupreanof Island which takes an inordinate share of the island with virtually no regard to Kake's interests.

THEREFORE BE IT RESOLVED, that the OVK IRA Council strongly objects to Petersburg's proposed boundary that takes an unfair share of Kupreanof Island and leaves Kake, which is located on Kupreanof Island, a ridiculously small portion – whether viewed from a perspective of what simply looks & seems fair or from a historical use perspective established from time immemorial; and,

BE IT ADDITIONALLY RESOLVED, that in respect to the proposed Petersburg Borough boundary, OVK proposes that all of Kupreanof Island be retained under the use area of Kake and included with other Kake use areas for any future borough consideration, which is based

COPY

OVK Resolution No. 98-22

Page 2 of 2

COPY

on historical use and also contingent upon interest from the City of Kupreanof to join with any efforts from OVK to organize a borough; and,

BE IT FINALLY RESOLVED, that the OVK IRA Council formally requests all governments and entities to maintain direct contact with OVK on the above Petersburg Borough Proposal, or any matters that may affect the People of Kake and/or the traditional lands & waters that have been the territory of the Kake Indians since time immemorial.

CERTIFICATION

This resolution was duly adopted at an IRA Council meeting held this 20th day of SEPT., 1998 by a quorum of 7 (includes president as non-voting chairperson except in case of tie vote) with 6 yes votes, 0 no votes, and 0 abstaining.

Samuel Jackson
Samuel Jackson, President

Edna L. Jackson
Attested by

COPY

2-6-03

Should P.O.W Become its own boroug

NO

We do not need additional
Goverment here

We cannot support the local
Goverment now

Do we want additional Taxes
to pay? NO!

Dan Justice
Deni Justice
Aaron Kulas
Richard Gottshalk

2/5/03

Concerning The Local Boundary Commission,

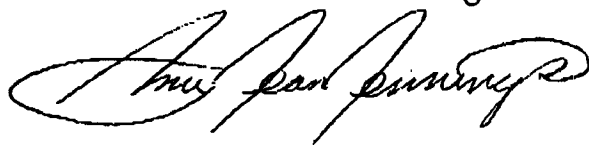
We found the report prepared and submitted by the Local Boundary Commission to contain significantly outdated and inaccurate information. The report was neither complete nor clear enough for proper consideration. We insist that the Commission revise its report.

Mandatory Boroughization is a threat to our local governing system. It would decree local as well as individual opinion as a bases to affect changes in our community.

Mandatory Boroughization would also threaten our already toppeling economic stability by forcing taxation upon the homes and properties we have worked so hard to aquire.....

We therefore oppose the Mandatory Boroughization, Unification, or Consolidation on Prince of Wales Island. Signed,

Amy J. Jennings and Jason M. Jennings



February 6, 2003

Local Boundary Commission
550 West 7th Ave., Suite 1770
Anchorage, AK 99501-3510

FAX (907) 269-4539

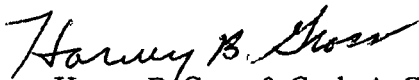
Dear Boundary Commission,

We are writing in opposition to including Olive Cove, on Etolin Island, into the proposed Wrangell-Petersburg Borough. Similar to our neighbors south of us in Meyers Chuck, we feel that taxes on our properties will become an income stream for the larger towns with no direct benefit to us. Currently we support the community of Wrangell by paying 7% sales tax on the goods we purchase as well as harbor fees, etc. We realize that schools are funded through property taxes but why does that fee have to be collected through another layer of government rather than directly to the State? It seems now more than ever we should be thinking of ways to trim State government rather than expanding it. Olive Cove is a community totaling 25 parcels, with a handful of recreational cabins and only a couple year round residents. There is no commerce other than commercial fishing out in the straits surrounding the community. Twenty-two miles and a large body of water separate us from the town of Wrangell.

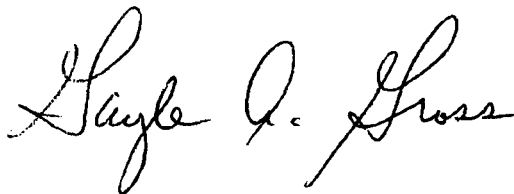
Please consider all the circumstances facing these small outlying areas before force feeding the Borough to us.

Thank you for your time,

Sincerely,



Harvey B. Gross & Gayle A. Gross
PO Box 11
Wrangell, AK 99929



LOCAL BOUNDARY COMMISSION
550 West 7th Ave. Suite 1770
Anchorage, Alaska 99501-3510

RE: Boundary region - Copper River Basin

Gentlemen:

The residents of the Copper River Basin do not want nor can they support Organized Borough Government. The State of Alaska and the Copper River Basin residents will both be losers if we are forced to accept borough government.

Our roads are minimally maintained; our volunteer fire department is supported by local and Alyeska Pipeline donations as is our EMT services; law enforcement is practically non existent. Due to State regulations we no longer have a local hospital, only a Clinic. Just a month ago a doctor at this clinic said, "That's the risk we take by living out here".

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It would be unwise and extremely unfair to impose Borough Government on us without our consent.

Sincerely,

Vanessa Gaddolone
Tazlina, AK

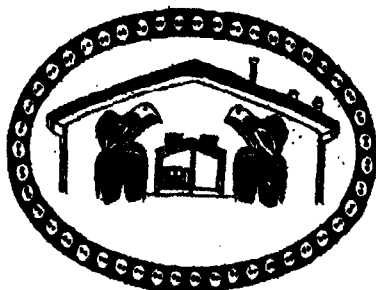
Local Boundary Commission

From: "Tim and Abby Fuller" <fuller@homernet.net>
To: <LBC@dced.state.ak.us>
Sent: Thursday, February 06, 2003 4:38 PM
Subject: comments on Borough Review draft

A commission of five cannot do a good job of divvying up part of a state that is a third the size of the continental US. Suitable boundaries cannot be determined using only maps, statistics, and charts. It is important to tap the knowledge of the people who live in these areas, especially those close to the potential boundaries. Please listen to the comments of the people who speak from the affected areas and use them to adjust the lines on your maps.

How are you going to use this document? As a goal, or an ideal, by which to judge proposals that are brought to you, to judge the state's interest, would be fine. It could be useful as a guide not only to the LBC but to the potential petitioners. But it will only be as useful as it is realistic. You may think a line goes best in one spot, but if the people and local governments think differently this review will only serve as a source of strife. Worse, if this review will be used to justify forcing borough government on people against their will, that would be tyranny.

Abigail Fuller
PO Box 2845
Homer, AK 99603

**CRAIG COMMUNITY ASSOCIATION****P.O. Box 828****Craig, Alaska 99921****Phone: 907-826-3996****Fax: 907-826-3997****Email: cctrife@aptalaska.net**

February 6, 2003

Local Boundary Commission
550 West 7th Avenue Suite 1770
Anchorage, Ak 99501

Local Boundary Commission Members:

This letter of opposition is submitted on behalf of Craig Community Association, the local federally recognized Tribe for the community of Craig, Alaska, in regards to the Local Boundary Commissions recommendation to have Prince of Wales Island formed into a borough.

Our council has met in special meetings with other POW Island communities; tribal governments, and municipalities, and other prominent and active organizations. It is CCA's consensus to strongly oppose SB48, "Equity in Education Funding Act", an act that facilitates annexation of the unorganized boroughs into organized boroughs with very limited public input from those directly affected.

Communities in rural areas contribute to local schools through the Federal Impact Aid. Therefore, the Alaska State Legislature cannot say that rural areas do not contribute to local schools. This bill effectively allows the State to dictate what type of government will be established with no local control over the process. Craig Community Association is opposed to this form of taxation because of very limited economy and lack of a tax base in rural Alaska. Rural Alaskans do not have the economic ability due to many factors including the high cost of living including freight, food and fuel.

We appreciate the careful evaluation of not only our comments but also that of the most current and accurate economic statistics available.

Sincerely,

A. Millie Stevens
CCA Tribal President



February 3, 2003

Mr. Kevin Waring
Chair, Local Boundary Commission
550 West Seventh Ave
Suite 1770
Anchorage, AK 99501

Dear Mr. Waring:

The City of Craig has reviewed Chapter Three of the Public Review Draft of the LBC's Review of the Unorganized Borough. The review is required by Chapter 53, SLA 2002. The city offers the following comments on the portions of the draft detailing economic capacity and population size and stability.

Economic Capacity

Section B of Chapter 3 details the economic capacity of the eight model borough areas. The City of Craig believes Section B misrepresents revenues available locally, and fails to account for significant changes that may impact existing municipalities should Prince of Wales Island form a borough government.

While, as the study states on page 9, four of the last five borough governments formed do not levy a property tax, it is also true that all boroughs in Southeast Alaska do levy the tax. The four newest boroughs that do not levy property taxes generate income from excise taxes on uniquely valuable resources not available to the POW model borough. Northwest Arctic Borough (Red Dog Mine) Denali Borough, (Usibelli Coal Mine) Lake and Peninsula Borough (Bristol Bay fisheries), and Aleutians East Borough (Bristol Bay fisheries) all levy resource taxes on resources that occur, or until recently occurred, in volumes and with the dollar values found locally. The proportion of resource values to the population served in these four areas do not exist in the unorganized area in Southeast Alaska. Given the severe impacts to the Bristol Bay fisheries in recent years, and the loss of borough revenue that resulted, it seems unlikely that the Lake and Peninsula Borough and Aleutians East Borough would have organized as boroughs today.

POW faces similar economic impacts from its own resource industries. Prices for commercially caught fish have been depressed for several years. In September of last year the Southeast Conference of Mayors voted unanimously to ask Gov. Knowles to declare a economic disaster due to chronically low prices for salmon. Since then, Ward Cove Packing, the single largest fish buyer and processor in Alaska, announced the permanent end to their activities in most Alaska fisheries, and the sale of all their Alaska properties. Likewise, significant losses to the timber industry since 1994 eliminate it as a source for direct tax revenues to any potential borough government.

Comments to LBC
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Subpart (b) of Part 4 of Section B details several state and federal aid programs available to the eight model borough areas under study. The report does not, however, account for the funding that communities in the unorganized borough currently receive from these programs, and how that funding will change with the establishment of a borough. If it is appropriate to summarize the revenue sources due to a Prince of Wales (POW) Borough from these aid programs, it is also appropriate to estimate the revenue losses to communities within any subsequent POW Borough. It is further necessary to determine the impact that the estimated funding loss will have on each community in the borough.

In the case of Craig, for example, National Forest Receipts funding that is not earmarked for education currently totals approximately \$190,000 per year. Loss of this revenue source is obviously significant to a community with a total fiscal year 2001 general fund budget of only \$1,912,000, yet the study fails completely to address this important impact. The City of Craig, and similarly situated communities, can expect funding losses from other programs from which the city currently receives funding should a POW Borough form. For POW and the other seven areas under study, a complete analysis of what will change with regard to these funding programs is an essential part of the review and must be included in the study.

Similarly, while the study claims a municipal land entitlement is due to newly formed boroughs, there is no detail regarding the extent of vacant, unreserved, and unappropriated state lands in the eight model boroughs under review. If, as the study states, municipal entitlement lands may be sold to generate revenues for a new borough, the extent to which a model borough can reasonably rely on this revenue source requires at least some inventory of potential entitlement properties in each borough.

Also missing is an analysis of the amount of funding each borough can expect from the revenue sources identified in subpart (b). The study frequently lists the aggregate amount available statewide from each source, but makes no effort to determine what each of the eight areas under review might receive. An individual analysis of revenues due to each of the eight areas under review is needed to fairly estimate borough revenue. For example, while National Forest Receipts (NFR) payments to communities in the Tongass National Forest currently total approximately \$9 million, only \$7.6 million of that amount is earmarked for education. Further, the study does not take note of the fact that NFR program is operating on a temporary safety net basis. Current NFR payments are not based upon actual revenues from the forest, as they were until 2000, but on a guaranteed payment amount due to sunset in 2006. If NFR payments to communities were based on actual receipts from the forest, then the State of Alaska and the 25 eligible communities in the Tongass would have split only about \$821,000 between them in 2002, with about 40 percent of that amount going to organized boroughs in Southeast Alaska. Chapter Three cannot be considered complete without a full accounting of the NFR and other funding programs.

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The lack of a thorough, detailed analysis of revenues available to the eight model boroughs in the study, and the impacts to existing communities within those model boroughs, does not support the conclusion on page 51 that each of the eight areas under review has the financial resources capable of providing borough services.

Finally, regardless of how it is analyzed, the Prince of Wales area is far too negatively economically impacted to effectively support a borough government. The area is in the bottom quarter of per capita household income (p.49), bottom third of per capita income (LBC Composite Ranking Worksheet), bottom quarter of median household income (LBC Composite Ranking Worksheet), bottom quarter of estimated average household income (p.50), the bottom half of Adults not Working (p. 25), bottom half of unemployment (p.24) with seasonal highs in excess of 20%, and bottom half of percent poverty (LBC Composite Ranking Worksheet). Surely the LBC would agree that the forced application of borough government here is neither the solution to these economic problems nor the a needed obligation of the island.

Subpart (a) of Part 4 of Section B incorrectly reports that the City of Craig levies a six percent tax on raw fish. The city does not levy a raw fish tax.

Population Size and Stability

The report concludes that the POW model borough has a population stable enough to support borough government. But the report gives an incomplete profile of the local population.

The report states that POW population dropped 2.5% between 1990 and 2000. While that may be true, it is also true that the island's population continues to fall. The 2002 population estimate from the Alaska Department of Community and Economic Development (DCED) shows continuing declines in the area's population. Population changes since 1990, as provided by the DCED, are shown below.

POPULATION TRENDS - CRAIG AND PRINCE OF WALES ISLAND													
	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
Craig	1,227	1,079	1,497	2,136	2,144	2,041	2,062	1,900	1,798	1,695	1,413	1,415	1,260
POW	4,139	4,286	4,581	4,886	5,093	5,101	5,184	4,968	5,008	5,042	4,822	4,828	4,652

While Craig's population remains essentially unchanged between 1990 and 2002, it can hardly be characterized as stable. The state's population estimate surged and ebbed greatly between 1990 and 2002. Perhaps most telling is the 18 percent population loss experienced just since the 2000 census.

The island's population changed significantly during the decade, with a nearly 25 percent fall from the 1997 high. Just since the decennial census, the island's population has dropped by ten percent. That drop is part of a persistent and worrisome trend that began in 1998, and has led to the departure of nearly 1,000 residents. The city fails to see how such changes in population can be characterized as stable, even in the context of

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supporting borough government. While the city does not believe the Island's population will drop below the 1,000 person presumptive minimum, the proportional declines are significant enough in degree and duration to adversely affect a potential borough level government.

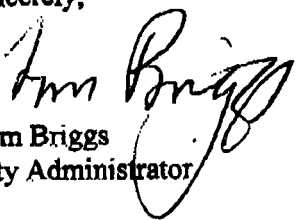
Focus of Debate

It is common knowledge that funding for schools, specifically REAA funding, is the driving force behind the legislation that authorized the unorganized borough study. All parties to this issue are better served by focusing on REAA funding, rather than the larger issue of borough formation. While boroughs are one way to compel local contribution to schools, there are other solutions that do not also create a host of new problems for rural areas that would come with communities being forced into organized boroughs.

The Craig City School District receives financial support from the City of Craig in the same proportion as Fairbanks North Star Borough Schools receives support from the Fairbanks North Star Borough. Fairbanks schools are no more responsible for REAA funding issues than are Craig schools. Yet the Craig school district could well face extinction while the Fairbanks district would not, despite the fact that both districts are on an equal footing with regard to local funding.

Providing for local funding of REAA schools from the communities they serve is certainly the most narrowly tailored possible solution. The City of Craig urges the LBC to consider this alternative in its report to the legislature.

Sincerely,



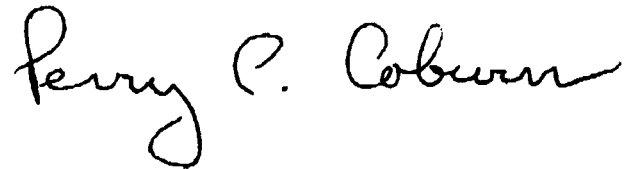
Tom Briggs
City Administrator

2-07-03

State of Alaska
Local Boundary Commission
550 W. 7th Avenue, suite 1790
Anchorage, Alaska 99051

Dear Commissioners:

To whom it may concern: In the years from 1959, the Ketchikan Gateway Borough was formed surrounding Ketchikan, and the North end of the Tongass Highway was annexed, after a local election. The borough proponents at the time promised us fire protection, a water system, and a sewer system. We thought that was a good idea, so we voted to form a new borough for the area. We paid \$50.00 per year in borough taxes. After that, our taxes increased to \$500.00 per year, and then two years later, to \$1,200.00 per year, but never did we get any fire protection, sewage, and water system. This was just a ploy to get us to vote in a borough government! Do not vote in favor of a borough for Prince of Wales Island, as we will experience the same as we did in Ketchikan! We are 25 year residents of Kasaan, and my wife is a Haida Indian, years before this cockeyed idea ever came up!

A handwritten signature in cursive script that reads "Perry C. Coburn". The signature is written in dark ink and is positioned to the right of the typed name.

Perry C. Coburn
Boathouse Point,
Kasaan, AK.

2-06-03

Local Boundary Commission
State of Alaska
550 West 7th Avenue, Alaska 99051

Dear Commissioners:

There's now way we in Kasaan can pay borough taxes, since there is simply not enough of a local economy to support local taxation. Kasaan nearly died as a village, in the late 1950s, when the fish canning industry could no longer survive, and our local plant was forced to permanently close its doors. For the last 50 years, Kasaan has been struggling to survive, and is desperately trying to rebuild it's local economy, and having to pay property taxes would be the death knell for us here. Also, to lose one's home when the borough siezes it to satisfy back taxes is a real tragedy, especially for those already suffering from economic hardship. To have to sacrifice one's home, part or all of one's children's college fund, one's pension, one's family heirlooms, to the gaping and greedy mouth of a borough is a travesty of justice! We do not need to have such a gargantuan, voracious and callous form of government on this island! There are alternate forms of fund raising available to us who choose to live outside of boroughs, such as a head tax to pay for school costs, and those who cannot pay can receive exemptions, if they can show they are indeed living in poverty, by providing copies of their income tax returns.

Please calculate what your commission feels would be a fair share for those communities to pay apiece, and establish a percapita dollar amount that would help cover the State's educational cost burden. I calculate that, based on 2,660 jobs (and paychecks) on Prince of Wales Island per wage or dividend earner paid \$200.00 apiece in head taxes to a unified island school district, about \$532, 000.00 per year could be raised to help pay education costs, and if \$400.00 per year were charged per wage earner, \$1,064,000.00 per year could be raised to cover these costs. My question is this: how much does the state actually require to cover this shortfall, how much can each proposed borough in Alaska raise to cover via borough property taxes, and how much from the proposed head tax to cover education costs in the unorganized boroughs throughout Alaska? The Ketchikan Gateway Borough itself, on it's web pages says that property taxes are the most difficult to collect, of all of the taxes in place. If head taxes from all communities not in boroughs were automatically deducted from payroll checks, and pro rated by the month or week, or in one lump sum from our Permanent Fund Dividends checks, it would not be very difficult to pay, and would not create hardship for workers. Monthly payroll deductions at the rate of \$33.33 per month comes to slightly \$1.00 per day, which is nothing, for those with steady jobs. If those with good jobs here can afford beer, soda, chips, cable TV, and steak dinners at nice restaurants, they can certainly afford school taxes!

The prime responsibility for paying for the schooling of Native students falls to the Bureau of Indian Affairs, not with the State of Alaska, so why is that not happening? I think the State should hand that responsibility back to the BIA, and let our local tribes run our schools in t he Native villages, using partly BIA funding and partly State funding, perhaps organizing our own tribal school district here, on the island. Thank you,



Della A. Coburn
Kasaan resident and property owner

State of Alaska
Local Boundary Commission
550 West 7th Avenue, suite 1790
Anchorage, Alaska 99051

Dear Commissioners:

I disagree with the Boundary Commission's statements regarding Kasaan's ability to pay borough taxes because we have no tax base in Kasaan, our population is so small, it cannot financially help support a borough, and few, if any Kasaan property owners can even afford property taxes here. To be taxed on land the federal government returned to us under ANCSA is an injustice of monumnetal proportions!

The Bureau of Indian Affairs has the ultimate responsibility to pay for the education of the Native students in the Native villages, and in Alaska, but under it's trust responsibility to us in Kasaan, and in other Native villages, but has chosen to shift these costs and responsibility to the State of Alaska, which is not right and proper. The State of Alaska should not have accepted this responsibility if it could not guarantee it could cover all of those costs, and would receive financial support for the costs to educate Native students in the public school system. It is not right that the Native lands be taxed by a borough, since their rights to be educated at federal expense is inherent, and it cannot be transferred legally to the State of Alaska, or to the taxpayers in the villages.

Julia R. Coburn
Box 18
Kasaan, Alaska
99950

Local Boundary Commission

From: "Butler, Richard" <richard-butler@uiowa.edu>
To: <lbc@dced.state.ak.us>
Sent: Friday, February 07, 2003 5:32 AM
Subject: Tanana Basin Borough

I currently own three single acre lots on Barley Way so this is of great interest to me. I see the reason given for this proposal is for tax revenue for schools. It was said "Wilken argues that residents of unorganized areas aren't contributing enough to education since they pay no local tax." What about people like me and my wife? We have NO children BUT we still have to pay taxes for schools in the various places we have like i.e. Wasilla for 16 years. We are over paying our "fair share" after all why should I be contributing to education when I have no children at all? I have kept my land in Delta for the exact reason of not having to pay "ANY" taxes ever. I feel the real reason for this proposal is the government wants to get their hand in deeper so when the missal defense program is up and running they will get a big piece of the pie. I would say "Hell No" on a Tanana Borough, most people in the bush around this area home school their children anyway. If there is an email list for future meeting on this subject I would like to be added please.

Richard B. Butler
Certified: PC/LAN Technician, MCP, A+, CST
UIHC Telecommunication Services
Network/Communications Engineer III
200 Hawkins Dr., C-132 GH
Iowa City, IA 52242-1009
319-353-6591

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Russell and Linda Bowdre
P. O. Box 1048
Delta Jct., Ak. 99737
907/895-4328
Feb. 6, 2003

Dear Commissioners:

It seems that we in the Delta area are continually being pressured to form an organized borough. In order to support the borough there would have to be a tax base. We don't think there is a substantial tax base in our area. A lot of the Delta area's population consists of farmers, Russian immigrants and retirees. The statewide unemployment rate is 7.6% compared to Delta's at 14.1%, almost double, according to Alaska labor statistics. Fairbanks and Anchorage unemployment rates are at 6.6% and 5.1% respectively. The tax base in our area consists of: 1 small sporting goods store, 2 small building supply stores, 1 small grocery store, 3 gas stations, 3 small eating establishments, 3 bars and a small agricultural community. Quite the substantial tax base!

While some locals are benefiting from employment by the Missile Defense project and Pogo Mine, the majority of jobs are filled by people from outside the community. These jobs are basically temporary and those hired from outside probably won't stay in the area when the work is completed.

Some have said that we in the Delta area need to pay our "fair share" of the education bill. This is not a legitimate argument for two reasons.

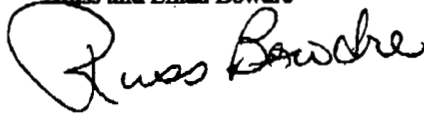
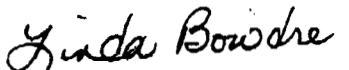
Firstly, according to our state constitution, it is the state's responsibility to provide schools. This ensures an education to those communities that cannot support a tax base. As you well know, much of Alaska would be without schools if paying our "fair share" was enforced statewide.

Secondly, the Delta area does generate money for the state from the taxes charged against some 38 miles of the pipeline. Should we incorporate into an organized borough, some of those funds would be diverted to the maintenance of the borough instead of going into the state's coffers for dispersion where needed.

Thank you for your time in reading this and considering our thoughts on the matter.

Sincerely,

Russ and Linda Bowdre

February 6, 2003

Mr. Kevin Waring
Local Boundary Commission
550 West 7th Ave., Suite 1770
Anchorage, AK 99501

Mr. Waring:

I would like to express my concerns regarding the Local Boundary Commission's Review of the Unorganized Borough, specifically pertaining to Prince of Wales Island. In reviewing the data used to justify the ability of the Island to financially support a Borough, I believe there are some glaring inaccuracies.

First, the economic data, per capita income and economic base seems to be based on old data which may reflect the situation in the past but does not reflect the current situation. Many of the assumptions of the analysis stress the presence of a viable timber industry in most if not all communities. This is not the case. With the loss of the long-term timber sale contract with the Ketchikan Pulp Corporation, the inability of Ketchikan Gateway Forest Products to become viable, and the current timber economics, the timber industry has played and increasingly smaller role in the economics of the Island. The high paying jobs of the past have been lost and most not replaced. The population of the Island has significantly dropped. It is imperative that you base your analysis on current data, not past economic trends from the mid-1990's.

Secondly, in many of the communities you have identified the role that fishing plays in the local economics. With the down-turn in the fishing industry due to the price being offered for many species, fishing may play a much less role in the economy of these communities.

Third, I do not think your analysis considers the cultural aspects of the communities across the Island. There are many people who obtained land through lottery or at State sales at a very low price. The individuals exist on a greatly reduced income. By forcing taxes on these individuals, you may place on them a burden that they cannot withstand. I believe that many of these individuals are currently living at or near their economic limits. If a Borough is forced upon them, they will default and be forced to sell and move.

Lastly, I am a business owner here on the Island, actually 2 businesses. We own two Liquor stores, one in Thorne Bay and one in Coffman Cove. My wife and I would be hard pressed to exist off the income from these businesses, actually we would not be able to. We both work outside the business to maintain our current lifestyle. We have seen the economic downturn here in these communities, our books reflect that. The additional burden that Borough taxation would place on these communities would further strain on our businesses.

It is most likely inevitable that the unorganized areas of the State will be placed in Boroughs. It would be good if the local communities were involved in the creation of those entities, not handed down to them from the State Government. It would be good to see the analysis based on current economic data and trends, not that from the past.

Much of the "need" for Borough creation seems to be driven by the high cost of education and the presence in our case of 4 school districts and their administrative staff. If this is the case, would it not seem prudent to address that issue separately, consolidating the schools, then seeing if the people and communities could financially support boroughization and if it would be of benefit to the State given the cost of a Borough government and all the services a borough would have to provide each community?

Thank you for the opportunity to comment.



Jim Baichtal

President

Blackpower Inc. dba

Riptide Liquor and Rain Country Liquor

Local Boundary Commission

From: "Al" <alnear@alaska.net>
To: <LBC@dced.state.ak.us>
Cc: "Senator Gary Wilken" <Senator_Gary_Wilken@legis.state.ak.us>; "Ralph Seekins" <Senator_Ralph_Seekins@legis.state.ak.us>; "Del Ackels" <golddustmines@gci.net>; "Tom & Diana Miller" <aktrmiller@gci.net>; <farnham@gci.net>
Sent: Thursday, February 06, 2003 12:27 PM
Subject: Unorganized Borough Review

Dear LBC:

Regarding the creation of new boroughs in the regions of review, the potential for taxation of recreational property is of concern to me.

Many seasonal users within these review areas actually reside within one of the organized boroughs. They only visit their remote parcels a few times a year for recreational purposes. Many are situated in such remote locations that access is limited to aircraft or ATV. Not only are these owners present for just a few days each summer season, their land use imposes virtually no cost to the region. They have no children attending schools there, no roads connect to their parcels, no utilities are available... In short, there are no services available now, nor would there be after the creation of a local government. And yet, there appears to be a high likelihood that a property tax would be imposed! Most owners already pay property tax in their home boroughs. So, they could end up paying tax for education and other services to both regions, but only receiving benefits in one.

I have no problem with the concept of universal education and have willingly supported it in the Fairbanks North Star Borough before, during and after the period when my kids attended public schools. But, to contribute both here and to some other jurisdiction that I only visit periodically and from which I can never enjoy any services is preposterous. Given that the stated objective of creating new boroughs is to *more fairly* spread the cost of education among all residents of Alaska, I find this particular aspect very disturbing.

Yours truly,

Al Near

Charles and Ruth Abbott
HC 60 Box 4225
Delta Jct., AK 99737
(907) 895-2002
February 6, 2003

Dear Commissioners:

We have made the choice to live near Delta Jct., an area where we trade a lack of "conveniences" for no taxes. We have exchanged governmental bureaucracy and regulations for fewer options in employment, shopping, entertainment, and schools. It is our choice, at least so far.

We are being pressured to form an organized borough under the pretext that we are not "paying our fare share" in regards to education. This is not a legitimate argument for two reasons.

The first reason is that according to our state constitution it is the state's responsibility to provide schools for the state of Alaska. This is to ensure that communities that cannot support a tax base will still have schools. Much of Alaska would be without schools if the "pay your fare share" mentality were to be enforced statewide.

The second reason is that the community *does* generate money to the state by way of taxes levied against thirty-eight miles of the pipeline. Incorporation into an organized borough would mean that some funds now going to the state would be diverted to the borough.

So the real question is whether or not there is a tax base in this area. We think not for the following reasons:

Much of the Delta area's population consists of farmers, Russian Immigrants and retirees. According to Alaska labor statistics, the current unemployment rate for the Delta area is 14.1%. That is more than double the rates of Fairbanks and Anchorage which are 6.6% and 5.1% respectively. Compare Delta's 14.1% to the statewide unemployment rate of 7.6%.

The majority of the jobs being generated by the Missile Defense and Pogo Mine are going to people from outside the community. Missile Defense workers are taking up residence at Ft. Greely housing or at the Man Camp. The jobs are temporary in nature, filled by employees that have no intention of staying in the area when the work is done.

Thank you for your time, and please take our concerns into consideration in your decision making process.

Sincerely,
Charles and Ruth Abbott

SPORTSMAN'S COVE LODGE

P.O. Box 9618, Ketchikan, AK 99901

Phone: 907-723-1777 or 907-209-5418

sportsmanscovelodge@starband.net

Fax: 907-209-5417

DATE: February 4, 2003**TIME: 11:00 AM****TO: Local Boundary Commission****FAX NO: 907-269-4539****FROM: Sallery Cove residents****FAX NO: 907-209-5417****SUBJECT: Proposed POW Borough****NO. OF PAGES: 10 Incl. cvr.**

The following letters of opposition to the formation of a Prince of Wales Island Borough are submitted for inclusion into the public record of the hearing to be held by the LBC on February 8, 2003;

1. Ron Leighton dated January 31, 2003 - 3 pages;
2. Joan Leighton dated February 3, 2003 - 1 page;
3. Dan & Liz Williams dated February 2, 2003 - 2 pages;
4. Melvin & Jerilyn Fairbanks dated February 2, 2003 - 1 page;
5. Dennis & Mary Owens dated February 4, 2003; - 1 page;
6. Sportsman's Cove Lodge dated February 3, 2003 - 1 page

Thank you,

Residents of Sallery Cove
Prince of Wales Island

**PLEASE ACKNOWLEDGE RECEIPT OF THIS FAX AND THE SIX
(6) LETTERS VIA PHONE CALL TO RON LEIGHTON AT
907-723-2088**

State of Alaska
 Local Boundary Commission
 550 W. 7th Avenue Suite 1790
 Anchorage, Alaska 99051

January 31, 2003

Dear Commissioners:

I am writing you to express my concerns on the proposed formation of a Prince of Wales Island Borough.

State law provides certain guidelines in order for an area to become a Borough. Your Chapter 3 indicates that our proposed model Borough meets these standards. I disagree for all of the following reasons.

First of all, the statistics you use are very much outdated and inaccurate pertaining to our economy, population, unemployment levels, household income levels and real and true property taxable levels. I will address each of these in this letter of objection.

Prior to Governor Murkowski's statement to the paper on Ward Cove Cannery's closing where he describes the Ketchikan and outlying areas as an economic disaster, we were already realizing an economic disaster because of logging and construction cut backs, mill closures, timber related corporations filing bankruptcy and South Coast Construction Company, a major construction company, filing bankruptcy. Governor Murkowski also stated that he is going to work on having a million-acre State timber forest. According to the Forest Service there is no enough remaining timber selections on Prince of Wales Island and that is why they selected three community's watersheds to log in the Chalmers Environmental Impact Study. This selection will have to be within the Admiralty, Baranof and Chichagof Islands.

Prince of Wales had a Ward Cove fish processing plant in Craig, which closed and took with it hundreds of jobs. These job losses will not show up in any statistics until summer. The same with the construction jobs lost with South Coast that amount to about 400 jobs.

According to the Labor Department, the 12.70% unemployment rate you state is inaccurate and does not depict what is actual because of the recent 200 people drop in one years population. They explain that with the drop in population and because the people leaving left to find jobs. The true unemployment rate is much higher and not shown in the database. In the past seven years or more, the months of December, January and February show unemployment in the high teen to low twenties. Here are some examples:

January 1990	17%
January 2001	20.4%
January 2002	16.8%
January 2003	10.8%

The January 2003 is out of the norm because of the population drop. In addition, you say that there are 2660 employees on our island. Here is the breakdown;

2660 total employed
 1024 are transient and non-island residents
 933 are State and local government employed

The Forest Service employs 91 permanent year round employees. 30 of these are in Craig, 50 are in Thorne Bay and 11 others are in other areas. 56% of these are housed in government billets. There are 48 seasonal employees of which 99% are housed in government billets. None of these will pay property taxes. The Congress just signed legislation reducing the Forest Service budget by 30%. Because of this and because of the amount of work they need to do, this reduction will be done for the permanent employment area. This will also cause a drop in our population. The logging companies are targeting sales in the Admiralty, Baranof and Chichagof Islands and this

will further decline our population, as the major employment on island is timber related and will go with the companies. With the logging industry concentrating on islands further north we will see a decline in forest receipts.

You state that Prince of Wales has a coastal dive fishery. These figures should not be used, as it is very transient. A major portion of these boat and water based processors travel from outside Prince of Wales to fish, bringing with them their own crew, fuel, groceries and other related support items. They also are re-supplied by packers who re-supply in Ketchikan when and where they transport the fish product back to be processed. Because there are no major fish processing plants on the island there can be no raw fish tax. These transient people will not pay either property or sales tax.

Both the fishing and logging industry is considered transient. The logging industry brings in their employees from outside the workforce of Prince of Wales Island. They also re-supply their kitchen supplies, fuels and other items from Ketchikan. Their employees can use the company commissaries for getting any of their incidentals along with boots and rain gear from the commissary. Because of this and their salaries leaving the island they would not in the least contribute to either sales tax or property tax. This is considered one of the major job suppliers. The rest of the workforce is either part time and seasonal. Most leave after the season ends and return only if and when it re-opens. I say this because of Ward Cove Cannery not re-opening. With 1000 transient workers leaving for winter taking the money with them, this will not be available from sales tax.

For the most part, you have people remaining through the fall and winter on unemployment and subsistence. You mention that all Prince of Wales communities have common inter-related and integrated lifestyles. The only common thread is the gathering of subsistence products and lack of jobs. The reason for this is the lack of income and is as necessary as being employed in order to survive. This would be like saying that we have another common activity we share throughout the Island and that is breathing.

You mention that Prince of Wales Island is the 3rd largest island in the United States with 1500 miles of logging roads. All of the logging roads are not maintained and are in very bad shape. Most of them are closed and impassable. Because of this there is no simple transportation. During the year, our area has prolonged stretches of bad weather making it impossible to travel no matter what your needs, even in emergencies. This travel by boat or air is not simple. Sure, each community has boat and airplane docks but because of weather, it is impossible to travel. Planes don't fly in 35 M.P.H. and winds above that. Snow is also a factor to consider for the road system. The island does not have an adequate airline based in the proposed borough. Cities within the proposed borough can communicate with each other, but communication for the rest of the island is difficult and not easy.

State law states that for people 65 years and older the first \$150,000.00 of their taxable assessment shall be exempt from property tax. You say that the average value of homes on Prince of Wales is \$54,278.00 and is only 56% accurate. With this and the amount of property that is exempt because of restricted deeds, government owned and elder owned, property taxation is neither fair nor equitable. With the baby boomer generation reaching 60 and 65 years of age, a large amount of the population will not be paying property or sales tax. The cities of Craig, Klawock and Thorne Bay exempt age 60 and older from paying sales tax. They also exempt people who come to them from outside their communities from paying sales taxes so transient people whether employed or not are exempt.

In the four major communities on the island, there are trust lands and allotted lands that can not be taxed. How many incomes are counted in the various surveys that own land that is not taxable. This adds to the fair and equitable problem in creating this proposed borough.

The Regional and Village Indian Corporations own property that is non-taxable unless they are in the process of logging or have improved the property. 95% of these lands have already been logged and will not be ready to be logged for at least 100 years. Also these lands will not be improved for many years because all of the corporations are suffering financially. These corporations, next to the Federal Government, are the major landowners on the island.

Since 1990 approximately 600 people moved off the island. That amounts to an 11% drop in population. Last year 200 left which amounts to a 4 or 5% drop and it is estimated that population drops will be another 20% in the near future because of the logging jobs going north and the fish processing jobs being eliminated, not to mention the upcoming 30% cut in Forest Service jobs which will take an additional amount of Forest service support jobs also.

According to a recent 2002 Economic Trend Cost of Living study the average annual household earnings for Prince of Wales Island is \$20,508.00. This is well below the \$32,000.00 poverty level. Your own records show that 39% of the adults are not working and have an average income of about \$18,359.00 which adds credence to the study.

Because of the unstable population and because of the unusual high level of poverty together with the untaxable population of the island and because of the low average per capita property values, our economy can not support a Borough at this time. It is not in the best interest of the State or any other Government at this time. It certainly is not in the best interest of the already poverty stricken people. There is no stable permanent tax base at this time or the foreseeable future. Both the timber and fishing industries are realizing a very, very low slump with no sight in the near future for recovery.

Sincerely,

Ronald Leighton
P.O. Box 342
Kasaan, Alaska 99950-0340

Phone: (907) 723-2088

State of Alaska
Local Boundary Commission
550 West 7th Avenue Suite 1790
Anchorage, Alaska 99051

February 3, 2003

To Whom It May Concern:

First of all, I want to make it clear that I totally concur with the concerns my husband, Ronald Leighton, expressed in his letter to you of January 31, 2003. I need not go over those concerns again so I have attached a copy of his letter for your additional review. I am totally opposed to the formation of a borough on Prince of Wales Island.

There are some additional questions I would like answered. I am a Senior Citizen and live in a very remote location on the East Side of Prince of Wales Island. Also a concern is our financial status as we live on a fixed income.

I want some person in authority to inform me of just what benefits we can expect to receive by being included in the proposed borough, other than taxes.


We provide our own electricity.
We have our own water system.
We have our own sewage disposal system.
We pay garbage rates to the City of Kasaan.
We receive our mail in the City of Kasaan.
We live a subsistence lifestyle.
We purchase most of our supplies in Ketchikan.

If needed, the Alaska State Troopers or the United States Coast Guard would provide law enforcement. We have no roads and are only accessible by boat or plane. We take care of our own snow and ice removal in order to make emergency access available if needed.

Of the eight year round residents in our cove, five are retired; two work on the Alaska Marine Highway System and one is a fisherman.

If you will truly look at the above, maybe you can tell my just why a newly formed borough would benefit us in any way. It should be in the best interests of the State, but aren't the citizens of Alaska really the State? Prince Of Wales Island's economy is entirely too depressed to even think it could support additional government in the form of a borough.

Sincerely,


Joan L. Leighton
P.O. Box 342
Kasaan, Alaska 99950-0340

Phone: (907) 723-2088

**Dan & Liz Williams
P O Box 361
Kasaan, Alaska 99950**

February 2, 2003

**State of Alaska
Local Boundary Commission
550 W 7th Avenue - Suite 1790
Anchorage, Alaska 99051**

RE: Proposed formation of Prince of Wales Borough

We wish to go on record as opposed to the forming a Prince of Wales Borough at this time. We have been reading the CHAPTER 3, APPLICATION OF BOROUGH INCORPORATION STANDARDS . The information in that document is not current.

We are forty year residents of Alaska, retired, and living on Prince of Wales Island. The only access to our community of 8 year round residents is by boat or plane. To get to Craig we would be obliged to pay a seat fare from Ketchikan. That would be \$99.00 one way. The road system on Prince of Wales does not connect all the communities. The existing roads are mostly logging roads, not paved and not well maintained. Our community consists of 5 retired people, 1 fisherman and 2 ferry employees. All own their own property and are self sufficient not getting or requiring aid from any government entity.

We wish to go on record as opposed to the forming of a Prince of Wales Borough at this time. We have been reading the CHAPTER 3, APPLICATION OF BOROUGH INCORPORATION STANDARDS. The information in that document is not current and does not reflect the existing economic conditions. Such as the closure of the Cold Storage Plant in Craig and closure of the log sort facility at Thorne Bay , to name a few. Prince of Wales, along with the city of Ketchikan is currently struggling to survive disastrous economic times.

The document states that according to the 2000 census there are 4651 residents on Prince of Wales. However, the document does not state how many of them are adults or how many of the adults are workers. It does say that employment is at 39.9%. It also does not say how many people have moved away because of the various closures and subsequent loss of employment since the document was written. The current unemployment and population count are not reflected in this document. Also this document does not show the amount of private land that is not taxable. Such as land owned by the elderly, land with restricted deeds, land owned by native corporations and land owned by the government. With the current economic slump Prince of Wales residents, already struggling, cannot afford to fund a new government entity. The tax base to support and maintain a Prince of Wales Borough does not

currently exist on the Island.

We urge the Boundary Commission to deny formation of a Prince of Wales Borough until the economy strengthens. That no such Borough be formed until funding of such a Borough can be done in a fair and equitable manner without placing undue hardship on the Islands' residents.

Thank you, *Liz Williams*
Dan Williams
Dan & Liz Williams

cc: Representative Albert Kookesh
Senator Georgianna Lincoln

Melvin & Jerilyn Fairbanks
P O Box 6896
Ketchikan, Alaska 99901

February 2, 2003

State of Alaska
Local Boundary Commission
550 W. 7TH Avenue - Suite 1790
Anchorage, Alaska 99501

We are writing to express our opposition to the forming of a Prince of Wales Island Borough. I am a commercial fisherman and a 26 year resident of Prince of Wales Island. There hasn't been any stability in the fishing industry in years and the last few years have been near disastrous. I troll fish in the summer and shrimp in the winter. The shrimp season used to be open from October through February. The competition is so great now that the allowable quotas are being met earlier each year. Over the last few years we are lucky if the shrimp season lasts through the month of October. The closure of the Cold storage plant in Craig is a good indication of the profitability of the fishing industry.

By personal experience I can vouch for the economic instability of the fishing industry. Any dependence on the currently suffering fishing industry contributing financial support to help form a Prince of Wales Borough is one more road block to the survival of an already endangered industry.

Prince of Wales Islands' current economy and working population cannot afford the cost of forming and maintaining a Borough. The economic data in CHAPTER 3, APPLICATION OF BOROUGH STANDARDS is out dated and in no way reflects the true current economic conditions on Prince of Wales Island. We reaffirm our adamant objection to placing any more financial burdens on the working residents of Prince of Wales at this time.

Sincerely,


Melvin & Jerilyn Fairbanks

cc: Representative, Albert Kookesh
Senator Georgianna Lincoln

February 4, 2003

State of Alaska
Local Boundary Commission
550 W 7th Avenue – Suite 1790
Anchorage, Alaska 99051


Re: Proposed formation of Prince of Wales Island Borough


We would like to go on record as opposing the formation of a Prince of Wales Island Borough. We have been wading through the incorporation standards, the CS for Senate Bill #48, and the Application of Borough Incorporation Standards Chapter 3. We feel a closer look at the statistics for Southeast Alaska and in particular Prince of Wales is necessary. Our declining population and unemployment rate is higher than stated. Too many groups of people are exempt from the future taxation: senior citizens and Native corporations on the Island and transient workers. This will put a greater burden on the rest of the taxpayers. There is an estimated 39.9% of the adult population is not working. Where is the tax base to support and maintain a Prince of Wales Borough? The closure of the Cold Storage Plant in Craig and the closure of the log sort facility in Thorne Bay along with constructions jobs with South Coast is proof of the struggling economy of the Island. The estimated per capita household income is \$18,359 well below the poverty level.

We have chosen Prince of Wales Island as our home. However, we live in an unroaded area and that should not change in the foreseeable future. It is easier for me to get into Ketchikan to do business than it is Craig. We fly to Ketchikan, as it is cheaper than flying to Craig. If we are incorporated into a borough, what will it do for us except cost money? We have the State Troopers when needed. The roads on the Island do not connect all the communities and many of us do not want them to connect. This keeps the Island residents isolated from one another so it would not be a working borough for all.

There are many reasons we oppose the formation of a Prince of Wales Borough but the economic factors are the most pressing. Until the funding of a Borough can be done in a fair and equitable manner without further hardship on the residents of the Island, there should be no borough formed.

Thank you,


Dennis and Mary Owens
PO Box 8771
Ketchikan, Alaska 99901



Cc: Representative Albert Kookesh
Senator Georgianna Lincoln



Sportsman's Cove Lodge
Alaska's Friendly World Class Sportfishing

Post Office Box 9618
Ketchikan AK 99901

February 3, 2003

Local Boundary Commission
550 West 7th Avenue - Suite 1770
Anchorage, AK 99051 - 3510

Re: Opposition to the formation of a Prince of Wales Island Borough

My family and I operate Sportsman's Cove Lodge, in Saltery Cove, on the eastern shore of Prince of Wales Island. We employ a staff of 32 people in season, 8 of which are year-round. I am a 19 year resident of Alaska, 13 years here in Saltery Cove.

We are adamantly opposed to more government on our island. All of the reasons are very well documented in the letters you have received from my neighbors, in particular the Leightons and the Williams. I urge you to review their concerns carefully. Their points are well researched and are substantiated not only by existing documentation but by their own personal observations and experience. They offer a valuable perspective that you, as decision makers would do well to consider.

In short, our concerns are centered around the following issues:

- The data being used to support the need for a borough on POWI - Borough Incorporation Standards, Chapter 3 - is inaccurate and outdated;
- There is not an adequate tax base to support another local government entity on the island. Ample evidence is available to show that a borough at this time would result in negative revenues;
- The vast majority of this sparsely populated island, the third largest in the United States, lives in remote settings where any services provided by borough agencies would be not only expensive to administer, but also ineffectual;
- The shrinking population of the island is for the most part totally self-sufficient, has always been that way, and is not in need of, nor desires, any assistance from any government beyond what is already available.

In summary, a Prince of Wales Island Borough is a bad concept at the wrong time.

Sincerely,

Larry McQuarrie, CEO
Southeast Alaska Sportfishing Adventures, Inc..
d.b.a. Sportsman's Cove Lodge

State of Alaska
Local Boundary Commission
550 W. 7th Avenue Suite 1790
Anchorage, Alaska 99051

January 31, 2003

Dear Commissioners:

I am writing you to express my concerns on the proposed formation of a Prince of Wales Island Borough.

State law provides certain guidelines in order for an area to become a Borough. Your Chapter 3 indicates that our proposed model Borough meets these standards. I disagree for all of the following reasons.

First of all, the statistics you use are very much outdated and inaccurate pertaining to our economy, population, unemployment levels, household income levels and real and true property taxable levels. I will address each of these in this letter of objection.

Prior to Governor Murkowski's statement to the paper on Ward Cove Cannery's closing where he describes the Ketchikan and outlying areas as an economic disaster, we were already realizing an economic disaster because of logging and construction cut backs, mill closures, timber related corporations filing bankruptcy and South Coast Construction Company, a major construction company, filing bankruptcy. Governor Murkowski also stated that he is going to work on having a million-acre State timber forest. According to the Forest Service there is no enough remaining timber selections on Prince of Wales Island and that is why they selected three community's watersheds to log in the Chomondeley Environmental Impact Study. This selection will have to be within the Admiralty, Baranof and Chichagof Islands.

Prince of Wales had a Ward Cove fish processing plant in Craig, which closed and took with it hundreds of jobs. These job losses will not show up in any statistics until summer. The same with the construction jobs lost with South Coast that amount to about 400 jobs.

According to the Labor Department, the 12.70% unemployment rate you state is inaccurate and does not depict what is actual because of the recent 200 people drop in one years population. They explain that with the drop in population and because the people leaving left to find jobs. The true unemployment rate is much higher and not shown in the database. In the past seven years or more, the months of December, January and February show unemployment in the high teen to low twenties. Here are some examples;

January 1990	17%
January 2001	20.4%
January 2002	16.8%
January 2003	10.8%

The January 2003 is out of the norm because of the population drop. In addition, you say that there are 2660 employees on our island. Here is the breakdown;

2660 total employed
1024 are transient and non-island residents
933 are State and local government employed

The Forest Service employs 91 permanent year round employees. 30 of these are in Craig, 50 are in Thome Bay and 11 others are in other areas. 56% of these are housed in government billets. There are 48 seasonal employees of which 99% are housed in government billets. None of these will pay property taxes. The Congress just signed legislation reducing the Forest Service budget by 30%. Because of this and because of the amount of work they need to do, this reduction will be done for the permanent employment area. This will also cause a drop in our population. The logging companies are targeting sales in the Admiralty, Baranof and Chichagof Islands and this

will further decline our population, as the major employment on island is timber related and will go with the companies. With the logging industry concentrating on islands further north we will see a decline in forest receipts.

You state that Prince of Wales has a coastal dive fishery. These figures should not be used, as it is very transient. A major portion of these boat and water based processors travel from outside Prince of Wales to fish, bringing with them their own crew, fuel, groceries and other related support items. They also are re-supplied by packers who re-supply in Ketchikan when and where they transport the fish product back to be processed. Because there are no major fish processing plants on the island there can be no raw fish tax. These transient people will not pay either property or sales tax.

Both the fishing and logging industry is considered transient. The logging industry brings in their employees from outside the workforce of Prince of Wales Island. They also re-supply their kitchen supplies, fuels and other items from Ketchikan. Their employees can use the company commissaries for getting any of their incidentals along with boots and rain gear from the commissary. Because of this and their salaries leaving the island they would not in the least contribute to either sales tax or property tax. This is considered one of the major job suppliers. The rest of the workforce is either part time and seasonal. Most leave after the season ends and return only if and when it re-opens. I say this because of Ward Cove Cannery not re-opening. With 1000 transient workers leaving for winter taking the money with them, this will not be available from sales tax.

For the most part, you have people remaining through the fall and winter on unemployment and subsistence. You mention that all Prince of Wales communities have common inter-related and integrated lifestyles. The only common thread is the gathering of subsistence products and lack of jobs. The reason for this is the lack of income and is as necessary as being employed in order to survive. This would be like saying that we have another common activity we share throughout the Island and that is breathing.

You mention that Prince of Wales Island is the 3rd largest island in the United States with 1500 miles of logging roads. All of the logging roads are not maintained and are in very bad shape. Most of them are closed and impassable. Because of this there is no simple transportation. During the year, our area has prolonged stretches of bad weather making it impossible to travel no matter what your needs, even in emergencies. This travel by boat or air is not simple. Sure, each community has boat and airplane docks but because of weather, it is impossible to travel. Planes don't fly in 35 M.P.H. and winds above that. Snow is also a factor to consider for the road system. The island does not have an adequate airline based in the proposed borough. Cities within the proposed borough can communicate with each other, but communication for the rest of the island is difficult and not easy.

State law states that for people 65 years and older the first \$150,000.00 of their taxable assessment shall be exempt from property tax. You say that the average value of homes on Prince of Wales is \$54,278.00 and is only 56% accurate. With this and the amount of property that is exempt because of restricted deeds, government owned and elder owned, property taxation is neither fair nor equitable. With the baby boomer generation reaching 60 and 65 years of age, a large amount of the population will not be paying property or sales tax. The cities of Craig, Klawock and Thome Bay exempt age 60 and older from paying sales tax. They also exempt people who come to them from outside their communities from paying sales taxes so transient people whether employed or not are exempt.

In the four major communities on the island, there are trust lands and allotted lands that can not be taxed. How many incomes are counted in the various surveys that own land that is not taxable. This adds to the fair and equitable problem in creating this proposed borough.

The Regional and Village Indian Corporations own property that is non-taxable unless they are in the process of logging or have improved the property. 95% of these lands have already been logged and will not be ready to be logged for at least 100 years. Also these lands will not be improved for many years because all of the corporations are suffering financially. These corporations, next to the Federal Government, are the major landowners on the island.

Since 1990 approximately 600 people moved off the island. That amounts to an 11% drop in population. Last year 200 left which amounts to a 4 or 5% drop and it is estimated that population drops will be another 20% in the near future because of the logging jobs going north and the fish processing jobs being eliminated, not to mention the upcoming 30% cut in Forest Service jobs which will take an additional amount of Forest service support jobs also.

According to a recent 2002 Economic Trend Cost of Living study the average annual household earnings for Prince of Wales Island is \$20,508.00. This is well below the \$32,000.00 poverty level. Your own records show that 39% of the adults are not working and have an average income of about \$18,359.00 which adds credence to the study.

Because of the unstable population and because of the unusual high level of poverty together with the untaxable population of the island and because of the low average per capita property values, our economy can not support a Borough at this time. It is not in the best interest of the State or any other Government at this time. It certainly is not in the best interest of the already poverty stricken people. There is no stable permanent tax base at this time or the foreseeable future. Both the timber and fishing industries are realizing a very, very low slump with no sight in the near future for recovery.

Sincerely,

Russell Jernan
P.O. Box KXA
Kasaan, AK. 99850

2/5/03

Dear Anchorage Legislative Office,

We want no part of being assimilated into the Administrative collective as a Prince William Sound Borough. I am a 63 year old resident of Prince William Sound. I was raised here in Alaska long before the territory became a state. Mark my vote down as an emphatic "NO" when it comes to deciding the fate of including Prince William Sound into a borough. We should have a say so when it comes to regulations that will dramatically affect our home. We live out here to be away from all that. That is all I have to say!

Have a Nice Day,

Marni Noffke

907-573-5152

Naukati West Inc.

February 5, 2003

Local Boundary Commission
550 West 7th Ave, Suite 1770
Anchorage, AK 99601-3510

Dear Sir or Madam:

In January 2000 Klugherz and Associates completed a response plan for the community of Naukati. They reported a certified population by The Alaska Dept of Community and Regional Affairs of 164 and 84 of those residents living in the logging camp operated by K.P.C. The logging camp was in transition and in the year 2000, nine logging camp households remained. Those nine households were all salaried employees. Those nine families left Naukati by the end of 2000.

The High salaries and population contributed by K.P.C. logging has certainly skewed Naukati figures that the L.B.C. presented.

Since 2000 Naukati lost nine timber households that were employed by K.P.C. Our school enrollment had dropped 23% from 2000 to the 02-03 school year.

In 2000 Klugherz found the average household income at \$39,100.00. The boundary commission report (part 8) average household income graph shows the average at \$47,999.00 for the same period 11-½ % higher. Klugherz was a door-to-door survey.

Section (C Part 1) shows the 2000 census at 135 our actual is 124 an 8% decline since 2000.

We have 45 full time households with 21 of those households retired, which is nearly half.

The operating budget of Naukati in 2000 was \$4,170.00 in revenue sharing dollars; in 2002 it was \$3,618.00 a decline of 13%. One other note (Section D) Subpart (E) (xii) states that all communities on Prince of Wales have hatcheries that provide jobs and stabilize the fishing industry. Naukati does not have a hatchery nor do all the communities on the Island. In fact the only hatchery on the Island is in Klawock.

The community of Naukati feels that the L.B.C. figures are high in our community assessment and appear to also be high through out the Island. The community of Naukati does not support the Prince of Wales Borough proposal.

Sincerely,

Art King
President Naukati West Inc.

.....

February 2, 2003
HC 60 Box 157M
Copper Center, Alaska 99573

LOCAL BOUNDARY COMMISSION
550 West 7th Ave. Suite 1770
Anchorage, Alaska 99501-3510

RE: Boundary region - Copper River Basin

Gentlemen:

The residents of the Copper River Basin do not want nor can they support Organized Borough Government. The State of Alaska and the Copper River Basin residents will both be losers if we are forced to accept borough government.

Our roads are minimally maintained; our volunteer fire department supported by local and Alyeska Pipeline donations as is our EMT services; law enforcement is practically non existent. Due to State regulations we no longer have a local hospital only a Clinic. Just a month ago we were told by a doctor at this clinic, "That's the risk we take by living out here".

The majority of our residents are living at or below the poverty level. Very few have running water but must haul it for miles from a community well. Many, including ourselves, do not have commercial power due to the excessive cost.

The State of Alaska collects revenue from the Pipeline, pump stations, etc. and uses these dollars to fund our local schools. These funds would be awarded to local government and used to fund the newly formed bureaucracy. An adequate tax base is not available to carry the burden of Borough Government.

An Organized Borough along with it's inherent taxes will not change the status of community services. We have not asked for Government services and we certainly are not getting any.

It would be unwise and extremely unfair to impose Borough Government on us without our consent.

Sincerely,

John K. Mondor
Patricia A. Mondor
Kevin M. Mondor
Misty Baker-Mondor

John K. Mondor
Patricia A. Mondor
Kevin M. Mondor
Misty Baker Mondor

2/5/03

To Whom It May Concern:

I am a 64 year old man and landowner who would like to voice my opinion which strongly opposes the development of Prince William Sound into a borough. Such an incorporation is not desired by the local residents of my area. We are financially limited in travel possibilities and our opinions will be under represented at the future hearings regarding the matter.

We hope and pray that the powers that be will exclude us from any of these new fangled plans that are becoming developed by the encroaching politicians. We do not want the "services" that they would claim to provide, as we would not stand to benefit from anything - even though we would be expected to eventually pay taxes for it.

We do not favor the development of a borough that will encompass the remote area of our homes and lands. That would be against the will of most every rural resident of Prince William Sound, most of which who will not even be responding to the constraints of your commentary deadline before the Saturday hearing.

Signed:



To: Public Meeting - Saturday February 8th, 2003 - Anchorage Legislative Office
 Fax: Local Boundary Commission: 907-269-4539

From: Andy McLaughlin
 PO Box 8043
 Chenega Bay, AK. 99574
 907-573-5092

Please read this at the hearing!

Subject: "unorganized borough" review

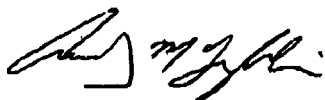
I would like to address an important and troubling concern of the residents who reside in my remote Alaskan community. Though we are far and few between, I am sure that our opinions are very similar to the thousands of other remote living residents of Alaska. In the first place, the title of this subject alone has alarmed us. We do not consider ourselves an "unorganized borough". In fact, we are not even a borough at all, there is a big difference between the two. Most of the people who reside in remote Alaska have chosen their unique and unusual lifestyles for a reason. The main constituent of that choice is the benefit of the freedom that we experience from an independence that only exists away from the social norms encountered in city lifestyles. Life is much different in those more highly populated urban areas and we like not being a part of those ways. Per capita, our voting numbers are relatively few in comparison to the representation by voters who have chosen to reside in the more developed areas with higher concentrations of people (who have easier access and more motivation to frequent the polls). Unfortunately for us, the governing body system is set up to more accurately represent the higher number of residents in the cities. This is justly so, as the needs of the many outweigh the needs of the few, but we not only exist apart from their desires we are not part of their systems. Along with our low numbers comes a higher ratio of people who choose not to vote, or they lack the ability to be at the polls. Our desire to remain apart from the general public has developed a multi-generational increased level of apathy towards voting. In all reality, even when at its organized best, the miniscule voice of our vote becomes muted into silence by the masses of urban voters who hold vastly different opinions than those most commonly held within the hearts of rural people. This imbalance in adequate representation consequently mandates unjustified regulations upon the ranks of the few who live here at the whim of the masses who do not. The only saving grace is that we do not live in a borough and consequently remain comfortably separate from such establishment. We are disgusted in disbelief that our tiny remote populace has already been mandated into inclusion with the "Anchorage Hillside" district. I am sure that Con Bundy, as the previously elected representative, hopes to do his best to represent us, but we are so small and isolated from the majority of his constituency that we are entirely removed from anything to do with his agenda and we always will be. Logically, town folk are his influence and their interests are his priority. The unfortunate consequence that has resulted from this forced commission upon us is an undoubted inaccurate representation. It invariably does not suit the desires of the few remote people who exist in a realm far far removed from that of the general public on the Anchorage Hillside. This situation in itself is a travesty and the recent new developments upon the political drawing board are bound to add further insult to injury. We want to be no part of any borough development.

Furthermore, the potential development of a Prince William Sound Borough will only open the door even more for taxation without representation. Myself, my family, and my friends are all landowners in my remote area. We live in one of the only remaining remnants of this great country of ours where the American Dream is still alive. Our home is part of the last frontier and our individuality and personal liberties are alive and well. If a borough is developed, it will tragically kill that dream. For a fact, it will give rise to some future representative who will be given authorization to act by an electorate that is not only geographically separate from us, but more importantly culturally and socially separate from us. This potential future representative will need his own salary of course, where he can lobby periodically for his own pay raises. The money will have to come from somewhere, so new tax structures will be introduced and imposed onto remote living landowners. Many of these people are formally unemployed and live well below poverty level. They work very hard at surviving and subsisting. If you impose a borough structure to loom over their heads, then they will need to seek other modes of income in order to pay into the newly mandated tax structures. Their lifestyle will become forever altered. We do not subscribe to the structure of the corporate American system that now has further potential of becoming imposed on us. The potentially new governmental borough authority and command will be unAmericanly forced upon the ranks of the few in our area by the opposing will of the people in the cities who want us to become more like

them. The vast majority of those people can barely even fathom that we do not have stores, not to mention the lack of all of the other modern amenities that they themselves take for granted as being "normally" available. Even the politicians do not fully understand the truth behind the scenes of our different level of needs and dissimilar public awareness. I ask, how can someone that is supposed to act as a magistrate accurately reflect the wishes of a group and exemplify with adequate accuracy and fairness upon a faculty that they do not possess? Quite frankly, we live in different worlds and a marked division between Alaska residents who reside in boroughs should remain apart from those who reside in the undeveloped wild places of our beautiful state. As soon as you incorporate us, you will destroy the last bastion of true freedom in this phenomenal remote landscape that we call home. It is not a borough.

We strongly oppose any inclusion of ourselves and our home territory into a borough. That would not suit the wishes or the needs of our people. Though I am sure that I could obtain over one hundred signatures in petition to support the above mentioned commentary, in the essence of saving time, I am forwarding this statement to your attention. We hope that these sincere sentiments do not fall upon deaf ears. Please do not include the remote island and coastline communities of Prince William Sound into a borough. Great shame and curses will fall upon you if you do.

With Whole Hearted Sincerity,





Florence Manier
P.O. Box 19408
Thorne Bay Alaska 99919
907-828-3994

Local Boundary Commission
550 West 7th Ave. Suite 1770
Anchorage Alaska 99501-3510
fax:907-269-4539

RE: Unorganized Borough/Prince of Wales Island

02-06-03

To Whom It May Concern:

I am not sure how to put my words together on this matter. I feel that the residence of the island will not be able to carry the cost of a borough plus support city schools. It's too bad that the communities on the island cannot work something out and merge the schools.

Thorne Bay would make a great middle & elementary school while busing the highschool students to the Craig Highschool. Both sites have wonderful facilities.

Other Southeast Island School District students, Coffman Cove, Naukati, Wales Pass, etc. could also be bused to Thorne Bay and Craig.

For the past few winters, our roads have been better for traveling. Schools bus students over the roads for sports activities.

Please consider my thoughts on this matter.

Florence

To: Local Boundary Commission Hearing 2/8/03
From: John Lunetta - Prince William Sound year round resident

I am a retired state trooper of 25 years experience. I am in avid opposition to the proposed development of Prince William Sound into a borough. Such a change is highly unwanted by those of us who live here. We do not want anything to do with what such a change proposes to offer. We stand to benefit from neither water, electric, transportation nor sewage.

We do not want to live under the regime of any type of borough whatsoever! We carve out our own existence out here with an independence from the constraints that ensue from such organized systems that mandate regulations.

A handwritten signature in black ink that reads "John P. Lunetta". The signature is written in a cursive style with a large, stylized "L" and "U".

DELTA JUNCTION LIO
Room 218, Jarvis Office Center
895-4236 OR FAX: 895-5017
e-mail: DeltaJunction_LIO@legis.state.ak.us

Teleconference

Date: Saturday, February 8

Time: 9AM—5PM

Sponsor: Local Boundary Commission

**Subject: Public Hearing on the Unorganized
Borough Review**

Delta's testimony time is: 9:55am-10:10am

Tok's testimony time is 9:40am-9:55am

Three minute testimony per person will be allowed.

**Written comments must be received by 4:30 pm on Feb 6th to be considered by the
LBC at the Feb 8th hearing; send to:**

**Local Boundary Commission
550 W 7th Ave., Suite 1770
Anchorage, AK 99501
Telephone: 907-269-4560 * Fax: 907-269-4539**

The LIO will be open at 8:30AM

Michael P. Escoffon

P.O. BOX KXA-KASAAN
KASAAN, ALASKA 99500-0340

February 04, 2003

Local Boundary Commission
550 West 7th Avenue, Suite 1770
Anchorage Alaska 99501-3510
Fax 907-269-4539

Local Boundary Commission Members:

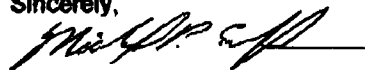
This letter is in regards to the recommendations being made by the Local Boundary Commission regarding the formation of a Prince of Wales Island Borough.

I moved to Prince of Wales from California 15 years ago. To tell you the truth I was only to be here a short time, to fish on my brothers troller. I do not miss California or it's ever growing " spend more/ tax more " government.

The people do not want more government. We can not afford more government. Inefficiency at the Federal, State, or local levels need to be addressed first and foremost. I understand our state budget is based on oil revenues and those have declined. So should state spending on non-essential programs. The economy on the island is not what it was and I'm not sure if it ever will be again. Yet those of us that call Prince of Wales Island our home are going to tighten our belts and ride it out.

I do not have excess money to support another government, but I do have a suggestion. One school district for Prince Of Wales instead of four. That's three less administrations. No, it will not bridge the State Budget gap, but it is a start in the right direction.

Sincerely,



Michael P. Escoffon

Proud American
Resident Of P.O.W.
and
an active registered voter.

Audrey L. EscoffonP.O. BOX KKA-KASAAN
KASAAN, ALASKA 99950-0340

February 04, 2003

Local Boundary Commission
550 West 7th Avenue, Suite 1770
Anchorage Alaska 99501-3510
Fax 907-269-4539

Local Boundary Commission Members:

This letter is in regards to the recommendations being made by the Local Boundary Commission regarding the formation of a Prince of Wales Island Borough.

I am a 43 year old Haida Native, small business owner, mother, and wife. I always had the dream of living in Kasaan and I have been a resident here for almost 9 years. My mother was born here and my NaNa was born here, so for me it is coming home.

Chapter 3 of the report that the Local Boundary Commission put out paints a picture of a prospering economy on Prince of Wales. Page 34, subpart (f) line 14 and 15 says, there are salmon hatcheries in ALL communities, there is only 1 hatchery located in Klawock. We both know what the timber industry is like now and lines 31 through 34 states that there are a number of small sawmills specializing in cedar products. These small sawmills are run by families trying to make a living, and are barely getting by. The mill located in Kasaan has been closed for almost 2 years. As for the fishing industry, I see boats coming in Kasaan Bay but they're not from Prince of Wales, they take our crab, shrimp, and fish and we don't see any \$ from it. Page 35 line 8 says Ketchikan Pulp company, are they not gone? Does Coffman Cove still have a Major log transfer site? Line 20 same page, Thome Bay no longer has a major log transfer site, KPC is no longer. Line 37, there are no commercial fishermen in Kasaan. What I am trying to say here, without going through the whole 149 pages in this letter is, that the people of Prince of Wales can not afford a Borough we could not sustain a Borough, and we do not want one.

However I feel that there are alternatives, I understand that the main reason for this push for a Borough is because of the 4 school districts located here. It does have a negative impact on our State Budget. I feel we should combine these 4 school districts and save the State some money. I can imagine what a savings it would be, with just the Superintendents salaries alone. It never did make sense to me.

Thank you for taking this issue into consideration.

Respectfully,



Audrey L. Escoffon

City of Atka

PO Box 47070 – Atka Alaska 99547 – Phone: 907-839-2233 – Fax: 907-839-2234
Administrator: PO Box 765 – Unalaska, Alaska 99685 – Phone: 907-581-6226 –
Fax: 907-581-6317 – Email: atka2@arctic.net

February 6, 2003

Department Economic & Business Development
Local Boundary Commission
550 West 7th Avenue, Suite 1770
Anchorage, AK 99503

RE: Draft Model Borough Report

My comments concerning the information contained about the Aleutians West in the draft model borough study are as follows.

Pg. 18: Atka levies a 2% raw fish sales tax and a 10% bed tax. This is not mentioned.

Pg. 46 and 109: The BIA barge does not deliver fuel to Atka. Delta Western sends a fuel barge once a year.

Pg. 46 and 109: Charter service is available using twin engine Navaho aircraft not amphibious craft. Atka is too far away from Unalaska for the goose plane to make the trip.

Pg. 76: The population distribution for Atka does not add up to 92. Also, recent State population estimates are 102.

Pg. 109: Airstrip is 3250' and the runway is State operated not State owned. Airstrip is scheduled to be extended to 4500' within the next few years.

Pg 109: The Atka dock is 5 miles away from the old village site. Atka Pride Seafoods is not located near the dock. It is sited between the old village area and the airstrip.

The City of Atka has no opinion to express concerning borough formation at this time. As of yesterday, the City had not received the printed information. Atka does not have reliable access to the internet. The document itself was too long to fax to Atka. I work in Unalaska and was able to obtain the report from the State web site.

Sincerely,

Julie Dirks
City Administrator

Cc: Atka City Council

February 5, 2003
P.O. Box 19308
Thorne Bay, AK 99919

Boundary Commission
550 West 7th Ave., Suite 1770
Anchorage, AK 99501

Dear Boundary Commission,

I am responding to your information contained in the Application of Borough Incorporation Standards which considered the City of Thorne Bay becoming part of a borough.

It appears your facts are not up to date. A lot has changed since they were last gathered. For example, Thorne Bay is not a log transfer site anymore. Logging is no longer the major employment here. Recently the fishing industry has declined sharply. It is difficult to find a buyer to sell the fish to anymore. Until things change for the better, (buyers, fish prices, fuel cost) the fishing industry will remain undependable.

Right now the major employers in Thorne Bay are the U. S.F.S & the school. The majority of the government & school employees are not property owners & would not be affected by property taxes. But it would be highly detrimental to a lot of the property owners here who do not have a steady assured income to live under a borough with taxes!

Please consider updating the facts presented before making a recommendation on this & seriously consider the hardship this would work on the full-time residents living here.

Please consider including Prince of Wales Island on the list of areas of unorganized borough which were excluded from consideration at this time

Thank you.

Sincerely,



Maria Brady

Feb. 5, 2003
Thorne Bay, Ak 99919

Boundary Commission
550 West 7th Ave.
Suite 1770
Anchorage, Ak. 99501

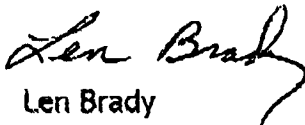
Dear Boundary Commission,

I am writing to request that you seriously consider this request to delay your decision to force establishment of a borough here on Prince of Wales Island.

After reviewing the Application of Borough Incorporation Standards it becomes quite obvious that much of the information pertaining to Thorne Bay is outdated and needs to be corrected to reflect the current situation. We no longer have a viable timber industry and the income from fishing is greatly reduced and undependable. Most of us, except for those employed by various Government agencies, are struggling to maintain ourselves and our homes and could not take on the support of an additional layer of government at this time.

There may be a time in the near future when a borough may be appropriate but that time certainly is not now. Perhaps a better solution would be consolidation of schools and other social projects before adding more government. I'm sure there are other areas that should be looked at to reduce expensive operating costs before placing our homes and property at risk to support these projects.

Thank you for your time.



Len Brady

P.O. Box 19308

**Paula K. Peterson
P.O. Box KXA - Kasaan
Ketchikan, Alaska 99950-0340
(907) 542-2208**

February 4, 2003

**Local Boundary Commission
550 West 7th Ave., Suite 1770
Anchorage, Alaska 99501-3510**

RE: Boroughization of Prince of Wales Island

Dear Local Boundary Commission,

I am writing you in regards to your recommendation to make Prince of Wales Island a Borough.

I am an Alaskan Native; I've lived in Kasaan, located on Prince of Wales Island, since 1979. I've been actively involved as a Resident and Council member on both local governments, the City of Kasaan and Organized Village of Kasaan.

The economy was great several years ago with the fishing and timber industries, but in the last few years, both of those industries have declined greatly. I've worked in both the fishing and timber industries. Due to the heavy decline of both of these industries, I've had to find work off the island. This is a hardship for not only me, but for my family. However, I do need to work to be able to support my family and continue to live in Kasaan.

I feel that it is ludicrous to even consider making this island a Borough. We don't have the people or economy to support any type of Borough at this time. The data you have to support Prince of Wales Island having a Borough is so out dated that it's not even funny. There is only one small hatchery on Prince of Wales Island that employs only a handful of people, located in Klawock. Canneries are closing down on Prince of Wales Island (read Ketchikan Newspaper about the Ward Cove Cannery is shutting down all operations). Logging is gone, the Thorne Bay Sorting Yard is CLOSED and for my community, the last fishing permit holder sold his permit a few years ago and the only Sawmill we had, is CLOSED.

Historically, the fishing and timber industries on Prince of Wales Island had sustained Prince of Wales Island's economy. In fact, many of the communities were primarily built because of the fishing and timber industries. The only communities that where here first are the native villages and they even depend on the fishing and timber industries to support their economy.

I understand that the State of Alaska also is being affected by the whole state's economy, and I understand that by having four separate school districts on Prince of Wales Island is not financially good for the State.

Nevertheless, if it comes down to it, I would rather see the four school districts united under one school district than seeing this island becoming a Borough. The residents on Prince of Wales Island could not pay any type of taxation it would take to sustain a Borough.

Thank you for taking time to read my comments.

Sincerely,



Leo L. Peterson

Paula K. Peterson
P.O. Box KXA - Kasaan
Ketchikan, Alaska 99950-0340
(907) 542-2208 paulakayne@hotmail.com

February 4, 2003

Local Boundary Commission
550 West 7th Ave., Suite 1770
Anchorage, Alaska 99501-3510

RE: Boroughization of Prince of Wales Island

Dear Local Boundary Commission,

I am writing you in regards to your recommendation to make Prince of Wales Island a Borough.

I am an Alaskan Native; I've lived in Kasaan, located on Prince of Wales Island, since 1978. I've been involved actively as a Council member on both local governments, the City of Kasaan and Organized Village of Kasaan and am currently a council member of the Organized Village of Kasaan. I've also been an S.E.A.R.H.C. Board member for many years.

I've seen most of the changes here on the island. The economy was great several years ago with the fishing and timber industries, but in the last few years, both of those industries have become a thing of the past. We lost 95% of the logging industry and now we are losing the last of the little bit of fishing industry we had. In all actuality, we are in an Economic Disaster.

I feel that it is ludicrous to even think about making this island a Borough. We don't have the people or economy to support any type of Borough at this time. The data you have to support Prince of Wales Island having a Borough is so out dated that it's not even funny. There is only one small hatchery on Prince of Wales Island which employs only a handful of people, located in Klawock. Canneries are closing down on Prince of Wales Island (read Ketchikan Newspaper: Ward Cove Cannery is shutting down all operations). The logging is approximately 95% gone, the Thorne Bay Sorting Yard is CLOSED and for my community, the last fishing permit holder sold his permit a few years ago and the only Sawmill we had, is CLOSED.

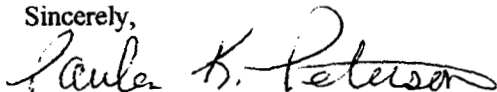
Historically, the fishing and timber industries on Prince of Wales Island had sustained Prince of Wales Island's economy. In fact, many of the communities were primarily built on either and/or both fishing and timber industries. Even the four (4) native communities have depended heavily on them to maintain their economy.

I understand that the State of Alaska also is being affected by the whole state's economy, and I understand that by having four separate school districts on Prince of Wales Island is not financially good for the State. It's easy to make decisions when you just see a place on a map or read about places in books. To better understand, it is good to go out and see things for yourself. Many politicians make their decisions by what they have read or seen on a map. Do they not know how spreads out the communities on Prince of Wales are? That many of the communities are accessed by either upgraded logging roads or floatplane and boats. There are only a few communities, such as Craig and Klawock, that are closely connected.

Nevertheless, if it comes down to it, I would rather see the four school districts united under one school district than seeing this island becoming a Borough. Most residents on this island on mean-low income. The average income is \$28,000.00. That barely supports anyone now, how will they be able to support any type of taxation that will be needed to support a Borough. It ain't goanna happen!

Thank you for taking time to read my comments.

Sincerely,



Pam L. McCamy
P.O. Box KXA
Kasaan, AK 99950-0340

Local Boundary Commision
550 W 7th Avenue, Suite 1620
Anchorage, AK 99513

January 30, 2003

Local Boundary Commission:

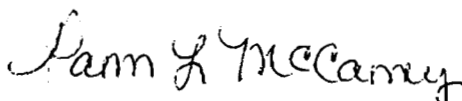
I am strongly opposed to being forced into a Borough. I know there is no escaping the issue but the people of Prince of Wales Island are very capable of forming a borough that will be fair to all stakeholders.

Economically there is no way this small community of 40 people could financially sustain a borough. Every community of Prince of Wales Island is hurting economically.

Looking over the 149-page document being submitted by the Local Boundary Commission I see it has flaws, information from some of the communities is very old and they did not mention the closure of Ward Cove Cannery, which impacted all Prince of Wales residents, as well as the declining timber industry.

I am in favor of combining our four existing school districts into one island wide school district. I know other residents of Prince of Wales feels the same.

Sincerely,



Pam L. McCamy

February 4, 2003

State of Alaska
Local Boundary Commission
550 W 7th Avenue – Suite 1790
Anchorage, Alaska 99051

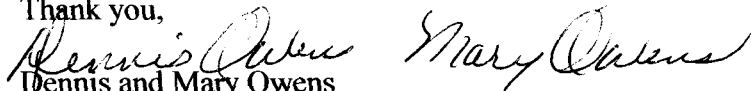
Re: Proposed formation of Prince of Wales Island Borough

We would like to go on record as opposing the formation of a Prince of Wales Island Borough. We have been wading through the incorporation standards, the CS for Senate Bill #48, and the Application of Borough Incorporation Standards Chapter 3. We feel a closer look at the statistics for Southeast Alaska and in particular Prince of Wales is necessary. Our declining population and unemployment rate is higher than stated. Too many groups of people are exempt from the future taxation: senior citizens and Native corporations on the Island and transient workers. This will put a greater burden on the rest of the taxpayers. There is an estimated 39.9% of the adult population is not working. Where is the tax base to support and maintain a Prince of Wales Borough? The closure of the Cold Storage Plant in Craig and the closure of the log sort facility in Thorne Bay along with constructions jobs with South Coast is proof of the struggling economy of the Island. The estimated per capita household income is \$18,359 well below the poverty level.

We have chosen Prince of Wales Island as our home. However, we live in an unroaded area and that should not change in the foreseeable future. It is easier for me to get into Ketchikan to do business than it is Craig. We fly to Ketchikan, as it is cheaper than flying to Craig. If we are incorporated into a borough, what will it do for us except cost money? We have the State Troopers when needed. The roads on the Island do not connect all the communities and many of us do not want them to connect. This keeps the Island residents isolated from one another so it would not be a working borough for all.

There are many reasons we oppose the formation of a Prince of Wales Borough but the economic factors are the most pressing. Until the funding of a Borough can be done in a fair and equitable manner without further hardship on the residents of the Island, there should be no borough formed.

Thank you,


Dennis and Mary Owens
PO Box 8771
Ketchikan, Alaska 99901

Cc: Representative Albert Kookesh
Senator Georgianna Lincoln



ORGANIZED VILLAGE OF KASAAN

PO BOX 26 -KASAAN ♦ KETCHIKAN, AK 99950-0340 ♦ T: 907.542.2230 ♦ F: 907.542.3006
E-MAIL KASAANIRA@HOTMAIL.COM



February 4, 2003

Local Boundary Commission
550 West 7th Avenue, Suite 1770
Anchorage, AK 99501-3510
Fax 907-269-4539

Local Boundary Commission Members:

This letter is on behalf of the Organized Village of Kasaan, the local federally recognized Tribe for the community of Kasaan, in regards to the Local Boundary Commissions recommendation to have Prince of Wales Island formed into a borough.

Our Tribal council has met numerous times with the City of Kasaan and local community members. The community has come to the general consensus that currently with the detrimental state of the Island economy as it now stands that we could not currently financially support a borough and all of the extraneous costs that would accompany it. The community also noted that most of the economic data that the LBC had in its report was outdated and incorrect. The logging industry is currently at an all time low as well as the fishing industry, especially with the recent closure of Wards Cove.

A general consensus has also been made that if and when a Borough is formed that the local communities of Prince of Wales lead the project and have a fair and equitable voice on how it is governed.

The community of Kasaan also understands that the State of Alaska is under great pressure of having to meet budget demands for education and that there are four school districts on Prince of Wales Island. It is our feeling that the formation of one unified school district is a necessity and may alleviate the State of Alaska's feeling for a need of a Prince of Wales Island Borough.

We appreciate the careful evaluation of not only our comments but also that of the most current and accurate economic statistics available.

Respectively,


Richard J. Peterson, President

Feb 04 03 01:27p IRA
TK0111 NINDA KSCUTON
P.O. BOX KXA-KASAAN
KETCHIKAN ALASKA
99950 0340

907-542-3006

p.2

FEB 4, 2003

TO: LOCAL BOUNDARY COMMISSION

MYSELF AND HUSBAND, CHARLES (SKIP) ESCOFFON, RESIDE IN
THE NATIVE VILLAGE "KASAAN" ON PRINCE OF WALES ISLAND.

WE ARE HOME AND LANDOWNER OUTRIGHT. WE OWN ADDITIONAL
PARCELS OF LAND IN "HOLLIS," ALSO ON PRINCE OF WALES ISLAND.

MY HUSBAND WORKS, PART-TIME, AND ALSO AT THIS TIME ON
UNEMPLOYMENT BENEFITS. I'M NOT EMPLOYED. WE ARE ON A
FIXED INCOME, ALONG WITH SO MANY ON OUR ISLAND HERE.

I'VE READ THE DATA, FACTS ETC. ON THE "BOROUGH" RELATED
PAPERS, OUR COMMUNITY AND OTHERS RECEIVED.

I FIRST HAND DON'T GO ALONG WITH NUMBER, PEOPLES PERSONAL
INCOMES, OR OTHER FACTS STATED IN THIS MATERIAL.

I FEEL, AND AM SURE, I'M NOT ALONE WITH THESE FINDINGS.

THERE NEEDS TO BE A COMPLETE "TRUE" STUDY OF EACH
VILLAGE, CITY, COVE ETC, TO GET THESE FACTS AND DATA.

THEN GO FROM THESE "TRUE" FINDINGS, PROCEED

WITH EACH VILLAGE, TOWN, COVE ETC. TO SEE

WHERE AS (ALL THE PEOPLES) WANT AND NEED

TO GO FROM HERE.

THANK YOU,

Linda Escoffon

A CONCERNED MEMBER OF OUR VILLAGE.

**KAKE TRIBAL CORPORATION**

P.O. Box 263 • Kake, AK 99830 • (907) 785-3221 • Fax: (907) 785-6407

January 31, 2003

Local Boundary Commission
State of Alaska

Dear Sirs:

Kake Tribal Corporation is opposed to any borough that includes Petersburg or Wrangell. It also opposes any borough proposal that includes the current Glacier Bay borough. The proposed Chatham Borough may work but must incorporate a method or direction on opportunities as well as potential detrimental effects on our existing government structure.

Kake Tribal Corporation is the largest single landholder in the community of Kake and vicinity and would like to participate in any discussion pertaining to this matter. Please consider the ramifications carefully and without prejudice to villages in Southeast Alaska. If you require further information or discussion please call me at the above number.

Sincerely,

Sam Jackson
President/CEO

Caroline Hendrixson
PO Box KXA
Kasaan, AK 99950-0340

Local Boundary Commission
550 West 7th Avenue, Suite 1770
Anchorage, AK 99501-3510
Fax 907-269-4539

February 4, 2003

Local Boundary Commission Members:

This letter is in regards to the recommendations being made by the Local Boundary Commission regarding the formation of a Prince of Wales Island Borough.

I myself am a senior citizen who lives on a fixed income. I have lived in Kasaan off and on for seventy-seven years and have seen first hand the rise and fall of the local economy. At this time with the disastrous lows of the timber and fisheries based economy of Prince of Wales Island, I do not feel that the people of this Island could afford to sustain a newly formed Borough.

I feel there are alternatives to forming a Borough. I sit on the tribal council of Kasaan, the Organized Village of Kasaan, and am involved with the current affairs of my small community and have learned that the motivation behind the Borough issue falls back to the idea that there are four school districts serving the our island schools and that this has a negative impact for the State budget. I can sympathize with you and your colleagues that have to justify school funding, and feel strongly that this issue could be simply solved by combining our four school districts into one.

I thank you for taking the time to take this very serious issue into consideration.

Sincerely,


Caroline Hendrixson

Ervin E. McCamy
P.O. Box KXA
Kasaan, AK 99950-0340

Local Boundary Commision
550 W 7th Avenue, Suite 1620
Anchorage, AK 99513

January 30, 2003

Local Boundary Commission:

I am strongly opposed to being forced into a Borough. I know there is no escaping the issue but the people of Prince of Wales Island are very capable of forming a borough that will be fair to all stakeholders.

Economically there is no way this small community of 40 people could financially sustain a borough. Every community of Prince of Wales Island is hurting economically.

Looking over the 149-page document being submitted by the Local Boundary Commission I see it has flaws, information from some of the communities is very old and they did not mention the closure of Ward Cove Cannery, which impacted all Prince of Wales residents, as well as the declining timber industry.

I am in favor of combining our four existing school districts into one island wide school district. I know other residents of Prince of Wales feels the same.

Sincerely,


Ervin E. McCamy

City of Kake

"HOME OF THE WORLD'S LARGEST TOTEM POLE"

P.O. BOX 500
KAKE, AK 99830
907-785-3804


Feb 4th 2003

Dan Bockhorst !

Thank You for the opportunity
to present this packet of
comments to the Local
Boundary Commission on behalf
of the City and Municipality
of Kake.

I hope these comments
will be helpful and serve
you well as you see to
the mission given you by
the Legislature !

Best Regards


Mayor

City of Kake

"HOME OF THE WORLD'S LARGEST TOTEM POLE"

P.O. BOX 500
KAKE, AK 99830
907-785-3804

February 4, 2003

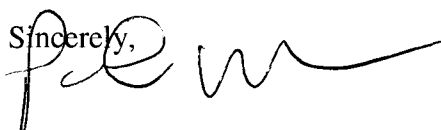
Local Boundary Commission
550 W. 7th Ave., Suite 1790
Anchorage, AK 99501

Dear LBC:

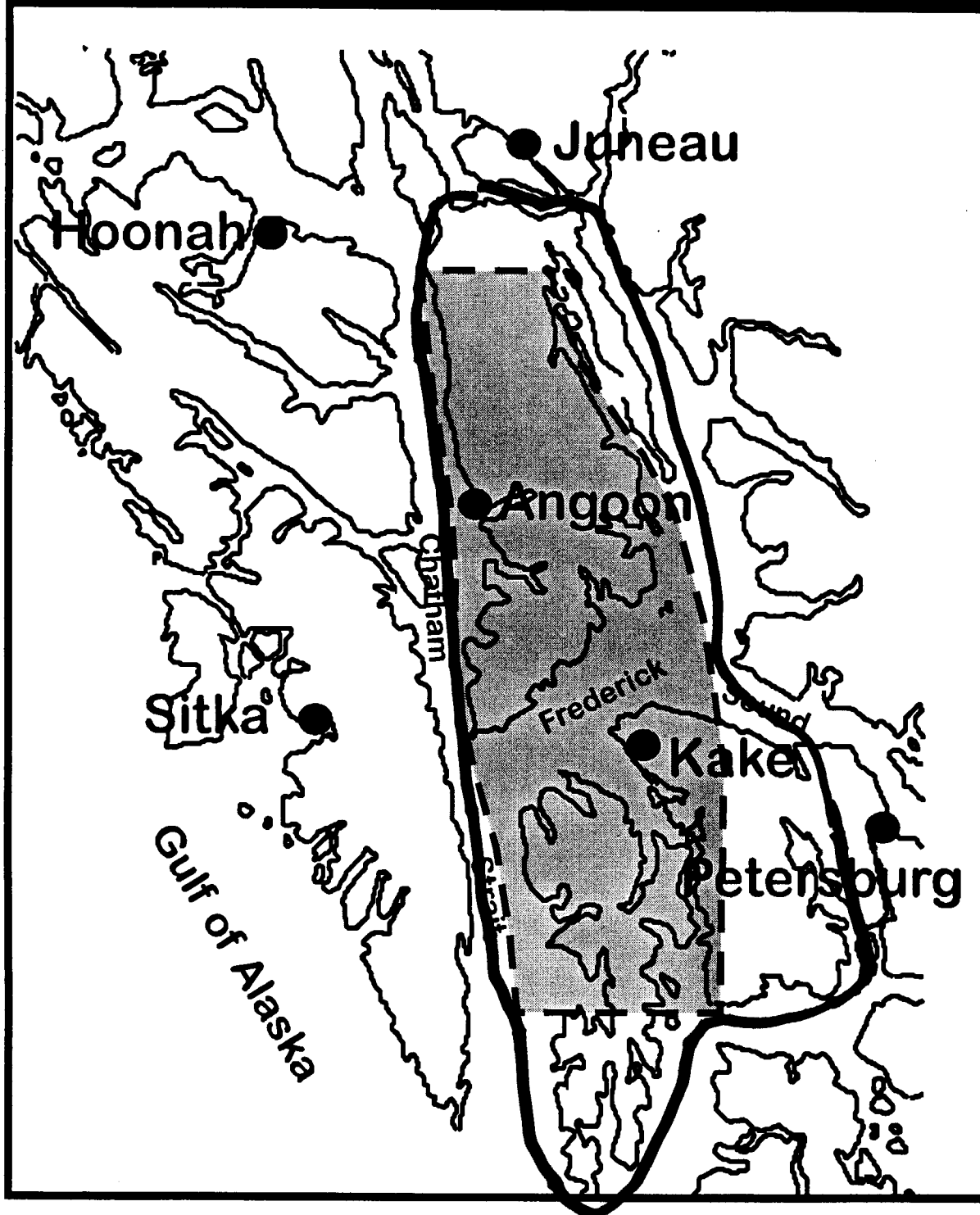
Though the Community of Kake already enjoys the opportunity to serve effectively within a municipal context, and as we look to the LBC to address those unincorporated regions, we look forward to providing input, assistance and local expertise as we consider this matter.

Please accept this map representing an alternative drawing of boundaries for the suggested Chatham District. These boundaries and landmarks encompassing the Islands of Admiralty, Kupreanof, and Kuiu would serve the goals and intentions of the Commission identifying a borough that would serve the geographic, financial, cultural, and social components of this discussion.

Thank you for your consideration and please let me know if I can assist you in any matter I might clarify.

Sincerely,

Paul Reese, Mayor
City of Kake

Chatham Region Model Borough Boundaries



City of Kake

"HOME OF THE WORLD'S LARGEST TOTEM POLE"

P.O. BOX 500
KAKE, AK 99830
PHONE: (907) 785-3804
FAX: (907) 785-4815

Whereas, the community of Kake has existed from ancient times, enjoying culture, community, and its unique way of life.

Whereas, the community of Kake has in earlier times enjoyed its independence, self determination, autonomy and now, as a first class municipality, the oversight of the welfare of our people.

Whereas, the community of Kake now is composed of a dynamic and vital culture, and unique personality as has evolved from its rich history.

And whereas, the community has also been associated with and intimately connected with its traditional land, those lands used by its people for those traditional activities such as hunting, fishing and gathering related to the lively hood of the people.

And as: the state has now mandated the Local Boundary Commission to address the matter of those communities now existing on unincorporated boroughs.

Be it resolved: that the Community and Municipality of Kake declare it's resolve and determination to maintain its unique culture, personality and way of life.

Be it further resolved: that the community and municipality of Kake does now encourage and petition the Local Boundary Commission and all agencies to whom this matter is relevant to make all diligence to consider the interests and concerns of our community, in any mechanism that would result in the formation of a borough that would either include or encompass the City of Kake or any of the traditional lands associated with the peoples of Kake.

Also, it is resolved: that the community of Kake does now express its position that no Borough be formed in or around the Municipality or the traditional lands of Kake without the expressed consent and endorsement of its peoples as provided by that mechanism made available by the ordinances of the City of Kake.

Adopted, this 29th day of Jan 2003, by Charles Hansen (acting City Clerk)
A vote of 6 yea's 0 nay's and 0 abstentions;

Signed: [Signature]
Mayor

**KAKE TRIBAL CORPORATION**

P.O. Box 263 • Kake, AK 99830 • (907) 785-3221 • Fax: (907) 785-6407

January 31, 2003

Local Boundary Commission
State of Alaska

Dear Sirs:

Kake Tribal Corporation is opposed to any borough that includes Petersburg or Wrangell. It also opposes any borough proposal that includes the current Glacier Bay borough. The proposed Chatham Borough may work but must incorporate a method or direction on opportunities as well as potential detrimental effects on our existing government structure.

Kake Tribal Corporation is the largest single landholder in the community of Kake and vicinity and would like to participate in any discussion pertaining to this matter. Please consider the ramifications carefully and without prejudice to villages in Southeast Alaska. If you require further information or discussion please call me at the above number.

Sincerely,

Sam Jackson
President/CEO

Kake City School District

*P.O. Box 450
Kake, Alaska 99830
(907) 785-3741*

January 30, 2003

Mayor Paul Reese
City of Kake
PO Box 500
Kake, AK 99830

Dear Mayor Reese,

I am encouraged to hear that you have the opportunity to meet with staff members of the Local Boundary Commission in Anchorage next week. I feel it is very important to be proactive in the issue of borough formation. The LBC has a very difficult task in that it is impracticable for a small commission with limited resources to set up and judge proper boundaries for people groups within a state as large and diverse as Alaska.

If a governing body is to be responsive to and representative of the people under its authority, it must have a foundation in the history and culture that brought those peoples together in the first place. I am very concerned that the rich history and culture of the original Kake people is not being considered in the establishment of borough boundaries currently under consideration by the LBC.

As a school district, Kake City Schools can not support the boundary of the Chatham Model Borough, the combination of the Chatham and the Glacier Bay Boroughs or the inclusion of Kake in the Wrangell-Petersburg Borough. None of these options give sufficient respect to the culture or original lands considered home to the Kake Tlingit people.

In a newsletter article put out by First Alaskans Institute in the fall of 2002, President and CEO Byron Mallott says, "For Native people, education is about reconnecting us to a strong sense of who we are, where we've come from and where we're going. So long as the educational system of this state does not recognize that, the system will fail us. And if it fails us, it will have failed all Alaskans."

As an educator, I do not see any of the proposed borough boundaries as beneficial to the processes that Mr. Mallott speaks to. No borough that fails to consider the traditional territory of the Kake Tlingit people will be successful in meeting the educational and cultural needs of the people. The establishment of any of the LBC proposed borough boundaries would only exacerbate the educational disconnect of students in Kake and other Native communities.

Kake City School District is an Equal Opportunity Employer

Kake City School District

*P.O. Box 450
Kake, Alaska 99830
(907) 785-3741*

Autonomy is very important to the people of Kake and the education of their children. This autonomy helps to preserve the culture and identity of the people. It is often difficult for those who do not have the strong traditions and ties to Native lands to understand its power and value to the communities and people who have it. These factors are critical to the successful representation of the people by a government. Until these factors are recognized in the formation of boroughs, the likelihood of a successful borough government that will meet the educational and communal needs of the people will be remote.

Sincerely,

A handwritten signature in black ink, appearing to read "Eric Gebhart", with a stylized flourish at the end.

Eric Gebhart
Superintendent



Organized Village of Kake

P.O. Box 316

Kake, Alaska 99830-0316

Telephone 907-785-6471

Fax 907-785-4902 / email KeexKwaan@starband.net

(Federally Recognized Tribal Government serving the Kake, Alaska area)



January 29, 2003

Mr. Dan Bockhorst
Division of Community & Business Development
Department of Community & Economic Development
550 West 7th Ave., Suite 1770
Anchorage, AK 99501-3510

RE: OVK Position & Written Testimony to Local Boundary Commission

Dear Mr. Bockhorst:

The Organized Village of Kake (OVK) is pleased to join with the City of Kake on this important undertaking for our community. It serves as an excellent opportunity for the tribal government and municipal government to work together on a common issue, which is in keeping with the philosophy being forged in the *Intergovernmental Memorandum of Agreement* between our two local governments.

With the above in mind, OVK wishes to submit its position in regard to the development of boroughs, associated boundaries and/or other factors that could affect our tribal citizenship and the overall community. As a local government, OVK has responsibilities to its Tribal Citizens, which make up three quarters of the local population. These duties, include among others, powers of authority to “protect the general welfare and security of the Village” and “protect and preserve the timber, fisheries and other property and natural resources” as mandated by the *Organized Village of Kake Constitution*.

The above governmental responsibilities continue in today’s world, the same as they applied since time immemorial as the Kake Indians utilized and rightfully claimed the lands and waters of our area as their homeland. The territory of Kake was long established before outside contact came to our shores and that area continues in use today and into perpetuity, as it is utilized for customary & traditional gathering (i.e. subsistence) in addition to other uses for the benefit of our people – whether for personal, spiritual, economic, and/or other socio-economic activities.

Besides the tribe’s history, which we will present in this document, we wish to go on record that the Organized Village of Kake, under its mandate to serve its citizens, must object to any borough, boundary or other action that will infringe upon Kake’s traditional boundaries. Further, any action that would diminish our local home rule, which is well established by our tribal government and also by the City of Kake as a first-class city, could not be justified as being in the best interest of our citizens – i.e. Kake being absorbed by another community and/or another borough would be unacceptable.

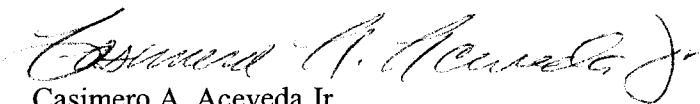
In addition to local documentation, the boundaries of the Kake areas are corroborated by the *Traditional Territory of the Kake Tlingit* as published by the State of Alaska and based on the Goldschmidt & Haas map 1946, *Possessory Rights of the Natives of Southeast Alaska* and Department of the Interior 1944, *Hearings on Claims of the Towns of Hydaburg, Klawock, and Kake, Alaska*. A copy of the Goldschmidt/Haas map is attached to this submittal by our tribal government and is offered as documentation of our claim to our homelands.

Mr. Dan Bockhorst, DCED / Local Boundary Commission
January 29, 2003
Page 2

In addition to the Goldschmidt/Haas map, our other support documentation includes two attachments that go into more detail that the reader may review at his/her convenience and thereby not detract from the body of this comment letter.

Thank you for your time as we present our tribal government position and if any further information or materials are needed, please contact myself or our executive director, Gary E. Williams, at our office. We plan to continue working with the municipal government on this common cause, but in the interest of efficiency, we ask that our office be added to your contact list so we can stay current with information concerning our community.

Sincerely,



Casimero A. Aceveda Jr.
IRA Council President

Enclosures:

Attachment A:

State of Alaska, Department of Fish & Game Subsistence Division Map, based on Goldschmidt, W.A., and T.H. Haas 1946 **POSSESSORY RIGHTS OF THE NATIVES OF SOUTHEAST ALASKA** and Department of Interior 1944 Hearings on Claims of the Towns of Hydaburg, Klawock and Kake, Alaska.

Attachment B:

Pp 91-95, **Haa Aani', Our Land: Tlingit and Haida land rights and use by Walter R. Goldschmidt and Theodore H Haas**; Edited by Thomas F. Thornton.

Attachment C

Excerpts from Organized Village of Kake Tribal Archives: "**Keex' Kwaan Territory Ownerships by Tribes**"; "**Keex' Kwaan Boundaries of Land and Clan Ownership**"; "**Traditional Kake (Keex' Kwaan) Territory**"; compiled by Tribal Historian, Charles Johnson Jr.

XIII. Kake Territory

General Description

In 1944 hearings were held to determine the aboriginal rights of the people of Kake, Klawock, and Hydaburg. As a result of these hearings and subsequent hearings held in Seattle the then Secretary of Interior, Harold L. Ickes, made a determination of the rights of the Haida and Tlingit people of these three villages. The Secretary's report is entitled *Claims of the Natives of Hydaburg, Klawock, and Kake, Alaska* (July 7, 1945). A map accompanying this report indicates the area claimed in the petitions of these three villages. The Secretary's decision indicated four classes of land: (1) land to which Natives of the several villages are entitled to under the doctrine of aboriginal rights; (2) lands to which Native possessions have been extinguished; (3) lands which Natives can, in common with other persons, utilize for hunting and fishing; and (4) lands for which decision has been reserved.

Concerning the last of these classes of land to which our attention in this section will be devoted, the Secretary stated:

Decision on the areas, totaling approximately 2,003,000 acres, claimed by the Natives of Kake in common with other bands of the Tlingit Tribe, and including all of Kuiu Island, exclusively claimed in part by the Natives of Kake and in part by the Natives of Klawock, is reserved in order to allow other bands to be heard (Ickes 1945).

The following areas are included in the lands for which decision has been reserved:

- (1) Seymour Canal area including the inside coast of the Glass Peninsula and the coast of Admiralty Island from the portage southward to and including the northern portion of Gambier Bay.
- (2) The mainland coast northward from Point Highland to including all of Port Houghton, Hobart Bay, Windham Bay, and Holkham Bay.
- (3) Northern Kuiu Island to and including Bay of Pillars on the west and Port Camden on the east.
- (4) Central Kuiu Island including the whole of Tebenkof Bay on the west and the area around Conclusion Island on the east.

(5) Southern Kuiu Island from Port Malmesbury and Alvin Bay south.

(6) Red Bay on northern Prince of Wales Island.

It will be remembered that in the tabulation indicating the tribal entities reported since 1885 (above), some authors included the Kuiu people as part of the Kake tribe, and some considered the Kuiu to be a separate entity. Among the latter were Veniaminov, who reports a people he calls Kuyutzk, and Wehrman. Petrov in 1880 on the other hand includes his Kouyou with the people of Klawock. Krause at about the same time indicates them as a separate entity. Niblack and Swanton both include the Kuiu as a part of the Kake.

Testimony received in the field indicates that there was once a village on Tebenkof Bay which was the home of the Kuiu people. The population was decimated by an epidemic of smallpox, and the remaining people moved across Kuiu Island from Tebenkof Bay. According to present accounts, some of the Kuiu people moved to Klawock and others moved to Kake. It is therefore not surprising that both the Kake and Klawock communities consider the Tebenkof area as their own territory.

Detailed Analysis of the Kake Territory

Seymour Canal - The people of Angoon who dwell on Admiralty Island and occupy the Tyee area recognize Kake clans on Admiralty Island. All Kake people utilize Pybus Bay (Billy Jones #62 and Peter Tom #64, Angoon). Beyond Pybus Bay Angoon informants were entirely unacquainted, although Ike James stated: "Seymour Canal is out of our territory, I believe the Juneau people came in there through the portage at the north end" (Ike James [Angoon] #59). Concerning this area Patty Sseek of Kake had the following to say:

The islands called the Brothers [Neek] are claimed by Gambier Bay Jim and his clan, the Gaanax.ádi. These people have connections at Taku, and they claim the whole of Gambier Bay. I hunted seal and fished and dried halibut in the spring there. They also trapped there, but now the islands are owned by a fox farmer and nobody goes there anymore. The Gaanax.ádi claim from Point Pybus north-

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ward, but Pybus itself belongs to the *Kaach.ádi*. The *Gaanax.ádi* people used to have a village at Taku called *T'aakuká Aan*. A man named *Weihá* in Juneau belongs to that clan, and there are quite a few people of that clan up the Taku River. . . . Seymour Canal is claimed by a *Wooshkeetaan* man because it formerly belonged to his grandfather. The Native name of this area is *Geiwk'óo*. He is related to me because he belongs to the same clan. He is a member of the Juneau or Auk people (*Patty Skeek [Kake]* #88).

According to *Katie Matsu*, a Native *Tlingit* of Auk, presently living at Juneau, the Seymour Canal area is territory belonging to the *L'eeneidí* clan. At present it is being used by a Native Auk named *Jimmy Watson* who lives there the year around. His home is on an island in the canal called *Kitqaxhik* [?]. Throughout the canal he picks berries, hunts deer, and traps. Other Natives of the Juneau people go there to fish for their own use, among them until about five years ago the witness herself (*Katie Matsu* #23).

It appears, therefore, that the Kake Natives have utilized some territory on Admiralty Island from time immemorial. They do not, however, according to testimony both by Kake and Auk witnesses, properly claim the Seymour Canal area.

Mainland coast from Point Highland to Holkham Bay – *Niblack* (1890; see Chart 1), on his map of *Tlingit* territory, indicates a section of the mainland coast from approximately *Thomas Bay* northward about to *Windham Bay* as constituting part of the territory assigned to the Kake people. *Petrov* (1884:31), in his listing of Kake villages, includes one located on *Port Houghton*. This delineation was apparently acceptable to *Krause* who reproduces *Petrov's* listing.

Witnesses of Kake and other communities are in agreement that the Kake people occupy territory on the mainland in the neighborhood of *Port Houghton*. Concerning this area one witness stated:

Port Houghton is claimed by the *Taneidí* clan. There used to be cabins on the south coast of *Port Houghton*. We used to gather herring eggs on *Hobart Bay*. There were houses on the points on the south and north sides. These belonged to the same people that own *Port Houghton*. The houses there are no longer used but we still go there to trap and to seine for fish. There also used to be cabins on *Roberts Island* but these are no longer used. There is nobody living that is descended from that family now. *Robert Island* is now a fox farm. There are good fish streams in that area and the people who live there used to smoke fish there. There are cabins on the shores at *Port Houghton* on two

separate places but these also are no longer used. In *Fanshaw Bay* there are two houses near the cannery which are still there but no longer used because the old man who owned them died recently. There was a winter house there which was built by a carpenter. There are fish streams all along *Fanshaw Bay*. *Whitney Island* is now used for a fox farm and there are no Native houses there. I cannot tell you anything beyond *Cape Fanshaw* but I think the *Wrangell* people use *Farragut Bay*. *Chief Tom* of Kake has lived on a point inside *Fanshaw Bay*. He also had a cabin at *Portage Bay* on the peninsula. This place belonged to the *Shangukeidí*. I do not know why he used to live there but I think it may have been through his wife (*Fred Friday* #87).

Windham Bay was claimed by the *Sit'kweidí*. A bay a little farther north is called *Sit'kú*, and this place, *Windham Bay*, and *Endicott Arm* were all claimed by the *Sit'kweidí*. *Topsy Dugaqua* trapped in this area. These are all Kake people and it is all within Kake territory (*Fred Friday* #87).

A *Wrangell* witness in describing the territory belonging to that tribe indicates that the northern boundary on the mainland was *Cape Fanshaw* (*Thomas Ukas [Wrangell]* #69). Another witness indicated that the *Wrangell* people hunted as far as *Farragut Bay* and occasionally went as far as *Cape Fanshaw* (*Willis Hoagland [Wrangell]* #68). No *Wrangell* Natives claim any territory north of *Cape Fanshaw* for the *Stikines*.

On the other hand, no Taku witness claims territory further south than the *Holkham Bay* area where the old village of *Sumdum* was situated. It appears, therefore, that the Kake people probably claimed the mainland coast from *Cape Fanshaw* north to and including *Windham Bay*, but that beyond this point the territory belonged to the people of Taku. The statement quoted above made by *Mr. Friday* indicated that the Natives of Kake continue to use this area for hunting and fishing.

Northern Kuiu Island – *Niblack* (1890) includes all of *Kuiu Island* as part of Kake territory. *Krause* (1885) likewise indicates that the northern portion of *Kuiu Island* belongs to the Kake people. *Petrov* (1884:31) includes a Kake village on *Koo Island*, undoubtedly the one indicated on *Krause's* map approximately on *Security Bay*. Historical data, therefore, leaves no doubt as to the aboriginal occupancy of the northern part of *Kuiu Island*.

Neither *Angoon* nor *Sitka* witnesses at any place in their statements indicated any aboriginal use of *Kuiu Island*. Likewise, this territory lies entirely outside that claimed in the petition filed by the *Klawock* people as a portion of their territory. This section, therefore, cannot be consid-

ered subject to alternate claims by Natives of any village other than Kake.

Witnesses from Kake itself reported the aboriginal use and occupancy of this territory in considerable detail. Concerning Saginaw Bay, one witness stated:

Saginaw Bay is called Skanáx and belongs to the Tsaagweidi clan. Charlie Newton has a claim to that place. There are about two smokehouses still standing there. They use the whole bay for hunting but now generally sleep in their boats instead of in camps on the land. I saw them there last winter and have stopped to visit them at this place. There are also other cabins further up the bay. The Newtons claim the whole place and it is necessary for anyone else to get permission before they can hunt there.

Charlie Johnson of Kake is using a land house and stores his things in the upper end of Saginaw Bay. This place belongs to his wife's clan. He uses the bay to troll for halibut and king salmon. There is a trolling camp at the mouth of the bay on the west side, with two or three cabins. All the Native people from here go there. There is another trolling cabin at Cornwallis Point. This is where the people from Kake are trolling at the present time (Fred Friday #87).

Concerning Security Bay the same witness says:

Security Bay is called Kúchx'w. There is still one smokehouse there on the east side. The whole bay belongs to the Kooshdaa Hít house of the Kaach.ádi clan. This was their main camp. Now they generally go there in boats when they want to hunt and fish. It is an important bay for gathering food. They get dog salmon late in the fall. They get deer in season and pick blueberries, huckleberries, and crabapples there. It is also a stopping place for the trollers at the mouth of Security Bay which has been used since olden days. This area is a good place to gather black seaweed and gumboots. On the coast southward from Security Bay is a trapping area. I trapped there last fall myself but did not get much game (Fred Friday #87).

Concerning around Kuiu Island the same witness continues:

Washington Bay is called Gakwyík. All Kake people used to go there to put up herring oil nearly on the site of the present cannery. They also trap in this area all the way from Pillar Bay. This area belonged to the Shangukeidi people. There is an island off the north arm of Pillar Bay called Shánk'w. This island and the north arm of Pillar Bay were used for trapping mink and land otter. Roy James trapped there last winter. Johnny Kasheets lets his nephews use that place now. He is the oldest man in the clan and claims this place as his own. The north arm of Pillar Bay is used for purse seining and there are quite a few fish streams in that area.

There used to be a camp and garden site just inside of the north arm of this bay. There are no houses there now but the bay is used for hunting deer. The people do not camp but sleep in their boats. On the island in the southern arm of Pillar Bay there is a trolling camp with quite a few cabins which all the people from here use. In general the bays were owned by the different clans but the area in between was used by all the Natives together for trapping. There was a camp on the north shore of the southern arm of Pillar Bay which was claimed by our clan but is not there any more. Now our people trap there and get deer there. It is also a good place for fishing for sockeyes. Some of the Native people have houses near the Fidalgo Packing Company. The area around Point Ellis is used for trapping and for gathering gumboots (Fred Friday #87).

On the east coast of Kuiu Island in the Port Camden area clearly detailed reports of Native use are presented by Mr. Friday:

Port Camden belongs to the Sukteeneidi clan. They get there by way of the portage. There are houses on the west side of the stream in two places. They have a smokehouse and three living houses at the north end and one house at the south end. Our people still dry fish there. Adam James used that place last fall. I saw him use it. He goes there every fall. He dries meat and dog salmon and hunts seal there. He also gets berries at Port Camden. This area is good for trapping mink, land otter, beaver, and marten in season. Adam James trapped there this winter and so did David Steteen. They trap along both sides of the bay.

There is a camping place at Kadake Bay which belongs to the same clan. Chester James uses it now. He used it this winter for smoking humpies, dog salmon, and cohos. He also gets steelhead there. He traps the whole bay area and all the way out to the point. Other people from here trap the northern shore of the peninsula across from the Keku Islands. One family has a house and garden on Keku Island. The woman still goes there to garden. This is not an area claimed by any one clan, so far as I know. On the westernmost island there was a Native camp but it has since been turned into a fox farm. Formerly, the Native people had gardens there before the fox farmer took it over (Fred Friday #87).

The detailed statement by Mr. Friday leaves little doubt as to either the early occupancy or the continued use of northern Kuiu Island by the Natives of the village of Kake.

Central Kuiu Island – Both the Kake and Klawock petitions claim the shores of the Tebenkof Bay and the east coast of Kuiu Island across from this bay. This section, for which direct conflict exists, we have called central Kuiu Island. It

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has already been stated that Niblack (1890) considers all of Kuiu Island as belonging to Kake territory. Since, however, Niblack tends to place the whole of any one island within the territory of one tribe, this cannot be taken as conclusive evidence of Kake rights to all of Kuiu Island. Krause indicates that the southern portion of Kuiu Island belongs to the Kuiu people, but he does not indicate how far north their territory extends. Petrov includes the village of Kuyu with the Klawock group. As previously indicated, the confusion undoubtedly results from the fact that there was at one time a separate tribe of people known as Kuiu and that these spread between Kake and Klawock after their communities had been reduced by disease. Historic data, therefore, inevitably leaves us in doubt as to the proper assignment of this territory. Friday indicates the source of this confusion as follows:

There used to be a village that I have already told you about on Kuiu Island in Tebenkof Bay and this village was destroyed by an epidemic a long time ago. The survivors from this epidemic walked across the island to the other side and later most of them went to Klawock and McCartney. However, they had formerly been Kake people. That is how the Klawock people came to use this island and claim this area in later years (Fred Friday #87).

The old village was at Gap Point on the north shore of Tebenkof Bay. It was called Kalhéen Aan and belonged to the Kuiu people. Concerning the current usage of this area, Friday stated:

We also trap in Tebenkof Bay and around Port Malmesbury. I do not know what clan claims that but people go there from here to hunt and fish in the streams. A former Kake man had a cabin at Port Malmesbury but it is no longer there (Fred Friday #87).

Concerning the east coast of this central portion of Kuiu Island, Mr. Friday continues:

The Naasteidí clan from Klawock claim the bay across the island from Tebenkof Bay. In later years they moved across to Tebenkof Bay and now try to claim that area. There is a fort out on an island near the village site. There also are garden plots at this place. The Kuyú Kwáan used to claim all this place but now it is mostly used for trapping. There are good fish streams here too and we seine and troll in the bay. Trolling is especially good around Troller Islands where there is a trolling camp. This is also a good place to gather black seaweed. I just got some there myself. I troll in this area frequently, but the last time was three years ago. People from Kake go there all the time. . . .

Three-mile Arm is called Tlaxánk'oo and also belongs to the Was'eeneidí. There are cabins at Seclusion Bay and off

the island near Seclusion Bay. This belongs to the same clan. There used to be smokehouses but we no longer use smokehouses there. However, we still use this area for trapping and gathering black seaweed in the spring and for catching fish for there are good fishing streams in these bays. Now we usually purse seine for the commercial fisheries. We do not dry the fish from there. However, we hunt deer in season and dry some of the flesh. The Klawock people who settled in Shakan used to use the area beyond this point but Conclusion Island is owned by the Was'eeneidí people from Kake (Fred Friday #87).

Current usage of central Kuiu Island by Kake people is indicated in the statement made by Mr. Friday, although he recognizes the joint use of this area by the Natives of Klawock. This joint use, however, does not apply either to Three-mile Arm or Conclusion Island.

Southern Kuiu Island – The Natives of Kake in their petition did not claim Kuiu Island south of Port Malmesbury. Concerning this area Mr. Friday, our chief witness, said; "The bays are used chiefly for hunting. I do not know enough about this area to give any detailed information" (Fred Friday #87). The implications of this statement are clearly that southern Kuiu is outside of Kake territory. This is in agreement with the Krause map, though not with Niblack.

Red Bay – Red Bay on northern Prince of Wales Island was claimed by the Natives of Kake in their petition for possessory rights. Their right to this territory may seriously be questioned. Concerning this area Wrangell Natives said:

Red Bay belongs to the Teeyhittaán. They had a camp at the mouth on the west side. There are no smokehouses there now. The Teeyhittaán people own all the way down as far as Lake Bay. At Red Bay, they could gather berries of all kinds, and get meat and fish. There was a special berry there called "Yellow Clouds" (Willis Hoagland, Wrangell #68).

There was a camp in Red Bay, behind Bell Island. All different people went there, but it was controlled by the Teeyhittaán. Old Nikash was the last man to stay there. He had a smokehouse, and got all kinds of salmon, seaweed, clams, berries, and halibut. It was an important fishing ground (Thomas Ukas [Wrangell] #69).

These statements are in general agreement with the following from Mr. Friday:

They could get red cedar timbers from Red Bay. Red Bay was not claimed by the Kake people and I believe it belongs to the Wrangell people. There are no red cedar trees on Kupreanof Island and we had to go further for our timbers. People from here do not make canoes any more, but I have

made them myself in times past. I used to get my canoe timbers from the Prince of Wales Island (Fred Friday #87).

No doubt the use of this area depended upon the consent of the Wrangell people in conformity with general custom among the Tlingits in such matters.

The evidence presented here which is in accordance with both the Niblack and Krause maps indicates that the Kake people do not have a valid claim to Red Bay on Prince of Wales Island.

Possessory Rights of the Kake Natives

The present discussion is concerned only with that portion of the Kake territory on which the Secretary (Ickes 1945), in his determinations, reserved decision.

The area held in doubt on Admiralty Island does not, in fact, belong to the aboriginal territory of the Kake people, though undoubtedly it has been utilized by them in recent times. Its proper allocation is discussed in the section on Juneau and Douglas Natives' territory. It is to be noted that, while it does not affect the Secretary's decision, other territory on Admiralty Island originally claimed by the Kake Natives is not properly assigned to them. Gambler Bay is actually a part of the territory belonging originally to the Douglas people, though through intermarriage Kake people have obtained rights to the use of this land, in accordance with Native custom. Eliza Harbor and Herring and Chapin bays were Native Angoon territory. Pybus Bay was Kake territory, and is so assigned in the Secretary's determination. The data obtained from Kake substantiates the allocation of this area to joint use by Natives and whites.

The mainland area claimed in the petition of the Kake people extends further up Stephens Passage than evidence supports. Port Snettisham is clearly a part of Douglas terri-

tory, though it is now also used by Natives of Kake. Similarly Farragut Bay is territory originally occupied by Wrangell Natives, according to both Wrangell and Kake witnesses. Kake people, however, had acquired special use rights by virtue of intermarriage. The intervening area was Kake territory, and is still regularly but not exclusively used by Kake Natives, and should therefore be considered an area of joint use.

Of Kuiu Island, the northern third was not only indisputably Kake territory prior to American occupation, but continues to be used intensively by Kake Natives and is here assigned to them as possessory rights. The middle section of this island continues to be used by Kake Natives, but jointly with the people of Klawock, who share a legitimate Native claim to the area and it is therefore not to be considered an area to which the Kake people have an exclusive right, but one which they, along with the Klawock Natives, have the right to use. The southern portion of the island properly belongs to Klawock territory, according to statements obtained in Kake.

Red Bay, which was claimed in the Kake petition, is properly placed in the territory of the Wrangell people, according to all the data received. The Kake Natives appear to have had some rights prior to American occupation, and continue to use the bay for fishing.

Almost all the residents were away from the village at the time the team visited Kake; it is therefore especially important that the Kake people be afforded an adequate opportunity to study this conclusion and, if so desired, to present to an examiner additional evidence regarding their possessory rights in the areas in which decisions had earlier been reserved. The Klawock Natives should be afforded the same opportunity in regard to the area claimed by them which was reserved for later decision.

This report was first issued in 1946 as a federal government Indian land claims document titled "Possessory Rights of the Natives of Southeastern Alaska." The entire original report, written by Walter Goldschmidt and Theodore Haas, is reprinted here, together with an introduction by Thomas Thornton, original Native witness statements, and a reminiscence by Walter Goldschmidt.

Haa Aaní, Our Land is funded in part by a grant from the Alaska Humanities Forum.

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ORGANIZED VILLAGE OF KAKE
 Federally Recognized Tribal Government Serving the Kake Alaska area.
OVK ARCHIVES

KEEX' KWAAN TERRITORY OWNERSHIP BY TRIBES
Excerpted from, "HEARINGS UPON CLAIMS OF NATIVES OF ALASKA
 PURSUANT TO THE PROVISIONS OF SECTION 201.21b OF THE
 REGULATIONS FOR PROTECTION OF THE COMMERCIAL FISHERIES OF
 ALASKA," SEPTEMBER 1944

CONDENSED FROM TESTIMONY BY CHARLES JOHNSON.

J

SUKTEENEIDÍ owns Port Camden.

WAS'EENEIDÍ Hamilton Bay & Rocky Pass to Summit Island, from there to Pt. Monte Carlo, Kennedy, then to Pt. Barrie & (sic) 3 mile arm; also from Portage Bay across to mainland, Cape Fanshaw.

SHUNGUKEIDÍ Farragut Bay to [Cape] Fanshaw Pt. (sic) & back to Cape Bendel

NAAS.ÁDÍ owned from [Cape] Fanshaw to Windham [Bay] to Cape Point.

The Naas.ádi is an extinct tribe. "Charles Newton, when asked by Viola Garfield, "Who would care for areas of extinct tribe?" Responded, 'Children of the last man would claim an area when the tribe becomes extinct.' [In this instance the S'EETKWEIDÍ.]

S'EETKWEIDÍ from Windham [Bay] to Cape Point and into the interior on the mainland.

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X'ALCHOONEIDÍ owns shore from Hoggatt Bay N. to [Cape] Omaney.

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NASSTEIDÍ¹ owns Port Malmsbury (sic) [Malmesbury] and part of Tebenkof Bay, southern shores.

K'WAAT'AA.NEIDÍ owns whole of Tebenkof Bay to Pt. Ellis.

SHANGUKEIDÍ owns North Arm of Pillar Bay to Washington Bay.

TANYEIDÍ owns from Washington Bay to Meade Pt.

TSAAGWEIDÍ owns from Saginaw Bay & part of Kuiu Island back to the place I started from. "Viola Garfield, Unpublished Papers",

¹ According to Billy Friday this clan are originally from the Affleck Canal on Kupreanof Island however, they inter-married with the Kuiu Kwaan.

ORGANIZED VILLAGE OF KAKE
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OVK ARCHIVES

KEEX' KWAAN BOUNDARIES OF LAND AND CLAN OWNERSHIP

The following testimonies of Charles ~~and Frank Johnson~~ were excerpted from the, "HEARINGS; UPON CLAIMS OF NATIVES OF ALASKA PURSUANT TO THE PROVISIONS OF SECTION 201. 21b OF THE REGULATIONS FOR PROTECTION OF THE COMMERCIAL FISHERIES OF ALASKA 1944". *[More commonly referred to as Indian' Possessory Rights' hearings.]*

[The purpose of this excerpt is for information concerning the traditional boundaries of the Keex' Kwaan.]

- A. Port Camden, that belongs to _____ *[Sukteeneidi]*. I want to point out the place where they belong by looking at the chart, but if I am sitting down I cannot remember well.
- Q. Now, what English names do the members of your family have now?
- A. They never changed them.
- Q. Show me where it is.
- A. This is the bay I am referring to (indicating on chart).
- Q. Port Camden?
- A. Yes. And right across to Hamilton Bay and Rocky Pass, right here (indicating). They call them Wuzinady *[Was'eeneidi]* that owns this piece of property.
- Q. Now, Mr. Johnson that will be roughly Upper Rocky Pass?
- A. Well, that would be to Summit Island. And then from there on to Point Monte Carlo, Kunedy *[Tanyei]* and then from thereon to Point Barrie, and to Three Mile Arm, it belongs to that second name I gave you.
- Q. From there to Point Barrie and Three-Mile Arm, that belongs to the second one you named?
- A. Yes, sir.
- Q. That would be Wuzinady *[Was'eeneidi]*?
- A. And from Portage Bay, and across, back to there—
- Q. (interrupting) From Portage Bay across to the mainland?
- A. Yes.
- Q. Including Farragut Bay to—
- A. (interrupting) Fanshaw Point.
- Q. And back to Cape Bendel?
- A. And back to Cape Bendel belonged to the Shuncocady *[Shangukeidi]*. And from here (indicating) to this place (indicating) is Naysudddy *[Naas.adi]*.
- Q. That is from Fanshaw to Windham?
- A. Yes that belongs to Naysceddy *[Naas.adi]*. And then from there to this part
- Q. (interrupting) That is from Windham to Cape Point?
- A. Yes, that belonged to Zeedquady *[S'eet'kweidi]*.
- Q. Then start at Cape Point again.
- A. That line goes back to this here part (indicating).
- Q. Does that belong to the same family?

- A. No. That is a different one again.
- Q. That is from where?
- A. To Point Hugh—
- Q. (interrupting) From Cape Point to Point Hugh, and on Seymour Canal as far as Gambier Island.
- A. That belongs to Gleanady [*L'eeneidi*].
- Q. Who did Gambier Bay belong to?
- A. That is a different one. That is a different party.
- Q. Well, from where?
- A. That is from Gambier Point, this whole bay (indicating) that belonged to another party.
- Q. Gambier Bay belonged to whom?
- A. That belonged to Gahnukuddy [*Gaanax.ddi*].
- Q. I didn't get this clear, Charlie. What about Seymour Canal? Did you cover that?
- A. Yes. That was before Gambier Bay. And from there to Deep Water Point, that belonged to Quachuddy [*Kaach.ddi*].
- Q. That is from below Gambier Bay to Deep Water Point?
- A. Yes sir.
- Q. From Point Tybus (*sic*) [Pybus] to Deep Water Point?
- A. Yes. And then this here—the same party owns this point—the whole shore of this Cape Bendel, from Cape [Point] McCartney, the same one just previous to this that I have mentioned owns this place.
- Now, we have to go down to this shore. That is the shore used by the Ulthchunady (*sic*) [*Xa lchooneidi*] from Hogaat (*sic*) [Hoggatt] Bay to [Cape] Ommaney.
- Q. Go on.
- A. And Port Malmesbury and part of Tebenkof Bay belonged to Nossdady [*Naasteidi*], and the whole of Tebenkof Bay to Point Ellis belongs to Gautahnady [*K'waat'aa.neidi*] and from the south arm of Pillar Bay all the way across to the Portage belongs to Sukteenady [*Sukteeneidi*]. And the next one is the north arm to Washington Bay.
- Q. The north arm¹ of Pillar Bay to Washington Bay?
- A. Yes, and that belonged to the Shungocady (*sic*) [*Shangukeidi*]. And then from Washington Bay to Meade Point belonged to Kanage (*sic*) [*Tanyeidi*] and from Saginaw Bay and part of Kuiu Island back to the place I started from belonged to the Tsaquady (*sic*) [*Tsaagweidi*].
- Q. What about Semour (*sic*) [Seymour] Canal? Will you come up here to the chart and tell us about that? Now, which one does Seymour Canal go in with?
- A. It goes in with this whole bay and through the portage.
- Q. And what is the family name?
- A. Gleanady (*sic*) [*L'eeneidi*].
- Q. Now, Mr. Johnson, you didn't say anything about Red Bay² on Prince of Wales Island?
- A. Yes.
- Q. Did that belong to anybody?
- A. You didn't ask me for that part. I could mark it out and tell you who it belonged to.

¹ In the early days the locals commonly called Rowan Bay "North Arm." What is presently listed as Bay of Pillars on modern nautical charts was known as "South Arm."

² Arthur Johnson interviewed by Viola Garfield stated, [in reference to Red Bay.] "...Red Salmon or Sockeye most valuable fish t'aneidi (*sic*) [*Tanyeidi*] go over there for these.

Q. You mark it out, then.

(Marks on map)

A. That belongs to Kunnady [*Tanyeidí*] the people that this belongs to (indicating).

Q. It belongs to the people that own the lower end of Rocky Pass?

A. Yes.

Q. And their name is Kunnady. [*Tanyeidí*]

A. Yes, sir.

Q. I thought that that belonged to Bill Paul.

A. He tried to adopt it, probably.

Q. Well, was he a member of that family that owns it?

A. I don't know what he is a member of, but we know it from this place—they belong here—those Kunnady [*Tanyeidí*]

Q. Well, is William Paul a member of that family?

A. No. We remember that William Paul is entitled to Salmon Bay.

Q. What was his family name?

A. Who, William Paul?

Q. Yes.

A. Tihitams (*sic*) [*Teey Hit Ton*].

Q. Now, don't the Thitams (*sic*) claim Red Bay?

A. No. Tunnady [*Tanyeidí*]³ It sounds almost alike.

Q. But it makes a lot of difference to Bill Paul?

A. It makes a lot of difference with us, all right.

Q. Did you know a man in your lifetime called Gambier Bay Jim?

A. Yes, sir; I do.

Q. What family did he belong to?

A. He belonged to Gahnukuddy [*Gaanaxádi*].

Q. Now, this house or this family of Gambier Bay Jim, is that a Kake house?

A. What is that?

Q. Is that one of the Kakes? Gambier Bay Jim's family, were they Kake people?

A. Yes. He is one of them. He is here—the one that is after him is here. He has got a house here in Kake now Charlie Mason, his name is.

Q. But in olden times, were they from Kake or from Angoon, or from Killisnoo?

A. I don't know where they used to be.

Q. They were not here at Kake in the earliest days that you can remember?

A. I cannot say offhand.

Q. Did Gambier Bay Jim claim that bay?

A. Yes, sir.

Q. For himself?

A. His clan claims it anyhow (*sic*).

Q. And didn't he make the rest of the Kake natives stay out of there, or prevent them from fishing there?

A. I was not fishing in those days. I don't know just how he used to do things.

+++++

³ See Arthur Johnson's comments in RE: Red Bay in Viola Garfield's papers.

J

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⁴ According to Billy Friday this clan is originally from the Affleck Canal on Kupreanof Island however, they inter-married with the Kuiu Kwaan.

TRADITIONAL KAKE [KEEX' KWAAN] TERRITORY.

In our culture it is a well-understood principle of self-preservation that humans are just one small part of the land and of nature and not the dominant force; living in harmony with the land and with nature is an integral part of our traditional culture and self-identity.

We draw our identity, as a people, from our relationship to the land, sea, and its resources; it is a spiritual and sacred relationship; based on the need to co-exist with nature.

On these lands, and waters, our ancestors lived and died; here we too make our homes. From these lands and waters we, as did our forefathers harvest in measured quantities, what is needed to sustain ourselves; being careful not to unnecessarily disturb or destroy anything not required for our sustenance and physical well being.

The migration of birds, animals and the spawning of fish predicated our annual calendar; for that reason there were autumn, winter, spring, as well as summer camps.

We, as were our ancestors, are but a minute segment of a pilgrimage from one living generation to the next.

Tlingit ownership of land antedates memory and was a sacred trust.

They had a well-developed system of exclusive ownership, of land, rivers, riparian areas and waters; they had well-defined geographic boundaries in each Tribe's territory; and were owned in common by all its members. Those boundaries were well known and respected by all other Tribes and it was tacitly understood that there would be no trespassing, by non-members without the express permission of the traditional owners.

Each Tribe's territory was further divided into separate holdings of clans, house groups and from among them by families, as specialized camp sites for harvesting animals, berries, fish, tidal area foods, trees, etc.

They recorded title to their land with posted crest designs owned by various clans. Clan stories and songs recorded the history of how clans came into possession of their territories, which included land, riverine, marine areas and transportation corridors. They even claimed mountaintops and glaciers.

Each clan traveled to their traditional historical areas; where they conducted their hunting, trapping, fishing and food gathering as well as harvesting other materials they needed.

Each location is pre-empted by particular families, and considered hereditary property, which is handed down from generation to generation. Those areas are still utilized, though not as camps, for harvesting traditional and cultural foods; fast boats are now used to get to and from those harvest areas therefore camps at the sites are no longer necessary

Tlingit property laws were rigid and inflexible.

The original Tlingit name of the present Kake village site was "Tá Aan," which literally interpreted, means sleeping village. It was sort of the 'Capital' of the Keex' Kwaan and came alive when it was used for special gatherings of the Keex' Kwaan.

The people started building frame houses at the present site, after the U. S. Navy in 1869, wantonly destroyed not only all the houses, canoes in three Keex' Kwaan villages, but their winter food supplies that were cached at special garden site and campsites. The

following winter was an especially harsh one and many children and adults perished for lack of the food, proper clothing and housing.

KEEX' KWAAN [*Kake People*] TERRITORY---OWNERSHIP BY TRIBES

Excerpted from, "HEARINGS UPON CLAIMS OF NATIVES OF
ALASKA PURSUANT TO THE PROVISIONS OF SECTION 201.21b
OF THE REGULATIONS FOR PROTECTION OF THE
COMMERCIAL FISHERIES OF ALASKA," SEPTEMBER 1944

[*See hearings transcript of Charles S. Johnson's testimony September 22, 1944*]

]

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NEIS.ÁDÍ owned from [*Cape*] Fanshaw to Windham [*Bay*] to Cape Point.

The Neis.ádi is an extinct tribe. "Charles Newton, when asked by Viola Garfield, "Who would care for areas of extinct tribe?" Responded, 'Children of the last man would claim an area when the tribe becomes extinct.' [*In this instance the S'EETKWEIDÍ.*]

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"Viola Garfield Papers", University of Washington Archives. [Box 10 Accession Number 2027-72-25 location number T0908d, KAKE

This territory was quite extensive and far-reaching. It included all of Kupreanof Island except the eastern portion bordering on Wrangel (*sic*) [*Wrangell*] Narrows, which belonged to the Stikeenkwan (*sic*). The Kuyu (*sic*) [*Keku*] Straits and Frederick Sound, the mainland coast of Stevens Passage from Pt. Windham to Cape Fanshaw, the southern shore of Admiralty Island from Eliza Harbor northward almost to the entrance of Seymour Canal.

"EMMON'S NOTES ON KAKEKWAN (sic)." An unpublished paper by George T. Emmons

2/4/03

To: State of Alaska Local Boundary Commission
550 West 7th Ave, Suite 1770
Anchorage, Alaska 99501 3510
Fax: 907 269 ~~539~~ 4539

From: Doug and Penny Black
Lot 5 Block 8, Southside
PO Box 19103
Thorne Bay, Alaska 99919
907 828 3464

Doug & Penny Black

Re: Standards of Borough incorporation for Prince of Wales
Model Borough. Much of your information is inaccurate.

ECONOMIC CAPITY

School Children in Thorne Bay-well over 50% of are government
Forest Service Kids. These families live in the government
Forest Service Compound and are exempt from most taxes.

Logging gone - There is no more "full scale logging operation" as
your report states. Ketchikan Pulp is GONE!!!! There is only
Native and Mental Health logging and a few small timber sale
operators. Thorne Bay logging transfer site has been empty
for two years.

Fishing prices depressed. Thorne Bay is not a fishing community
There are only 12 people commercial fishing with three full
time and 9 part time. Fish go to Ketchikan, Petersburg and
Wrangell. Fish are NOT processed on POW island.

Hatcheries are NOT in all communities as you state There is one
Hatchery and one salmon release site on the island

0.1 of 3

The "small scale mill operations" you refer to are Seasonal
There is NO fish buyer in Edna Bay
Fish buying and cold storage in Craig are CLOSED
The Naukati logging camp has been completely REMOVED
Much of Thorne Bay lands are owned by Mental Health, U of
A, Federal and State Lands - NON TAXABLE LAND
Jobs - Gone are logging and associated jobs like road building,
construction, restaurant, truck drivers since your 2000
census figures
SEARHC - hires NATIVE preference and serves Natives
Cannery in Klawock and Craig are CLOSED
Cost of Education - using YOUR figures - Thorne Bay 78 kids x
\$12,000 = \$936,000. Divided by population 557 = \$1680 per
person (including the 78 school age non-adults.) Then add
on the cost to assess and collect this money and then add on
the cost of borough Government. (Over half these families
live in a government Forest Service tax exempt compound.
Of existing organized boroughs only Bristol Bay pays more
than \$1680.

**POPULATION LARGE AND STABLE ENOUGH TO
SUPPORT BOROUGH GOVERNMENT**

Population - Thorne Bay has decreased 40 percent since the 2000
census figures you used
Population decrease in other island communities due to halting
of logging and associated jobs
The logging that is left is seasonal work

**REGION INTERRELATED AND INTEGRATED TO
SUPPORT BOROUGH GOVERNMENT**

In addition to non-natives, there are three major Native communities located on Native lands, that are different tribes. Each of the 4 fractions are segregated socially, culturally and economically from each other. Natives have and want their own schools and social events.
Native corporations hire natives only if possible
Natives have SEPARATE medical care system
Natives have separate fishing and hunting grounds. Non natives are not allowed on their lands
Major employer - SEARHC - hires native only preference
At least 10% of island is Native only lands
There is one hatchery and one salmon release site. NOT hatcheries in all communities as you state
Several communities are not on any road system
There is no POW based flight service. Charter flights come from Ketchikan.

Feb. 3, 2003

Local Boundary Commission
550 W. Seventh Ave.
Suite 1770
Anchorage, AK 99501

Dear Sirs,

I would like to add my testimony in regards to the Unorganized Borough Review. I am against an organized borough on Prince of Wales Island.

Concerning the economic capacity of the region, I don't believe that the communities on the island can support a borough government at present. Logging is virtually non-existent here except for sales on tax exempt private lands. Ketchikan Pulp Co. pulled out of Thorne Bay after the 2000 census and when they closed the sort yard in 2001 the population of this town dropped below 300, about half of what your report shows. I believe your income and housing statistics are also high and so do many of the folks I talk too.

You could count the commercial fishermen from Thorne Bay that earn their living from fishing on one hand. There are a few divers that fish sea cucumbers but I don't think they make the bulk of their income from diving.

All of the support or service industries in Thorne Bay have also cut way back or gone under mostly due to the logging shut down.

There really isn't much private individual property ownership on Prince of Wales Island, the bulk of the land is U.S. Forest Service, State Mental Health, University of Alaska, or Native lands which aren't taxable.

The population must be large and stable enough to support a borough government. As I mentioned above I think the population figures are not what your statistics show at least not for Thorne Bay, and I am sure that would be the same for Nauyasut and Coffman Cove. I do think that the folks who are still here will remain.

I believe that the individual communities are bound together but I don't think that the island as a whole is particularly socially or culturally "together", especially when you consider how isolated some of the communities really are, for example; Point Baker, Port Protection and Port Alexander, (not even close). I also feel that there is some cultural distance between the Native communities and the other communities on the island.

A borough government would not serve the public interest. I am opposed to another tier of bureaucracy for no good or practical reason. The communities seem to be doing fine here with their local / city governments and I feel that it would put a hardship on an area that has been delt a couple of stiff economic blows already in the last few years. If the State

of Alaska wants more of our monies to support our schools then I suggest they try another approach, forming a borough is not the answer.

I appreciate this opportunity to present my views to the Board.

Thank you -

Sincerely,

Carlton W. Thorpe Jr.

Carlton W. Thorpe Jr.

PO Box 19178

Thorne Bay, AK 99919



Sportsman's Cove Lodge
Alaska's Friendly World Class Sportfishing

Post Office Box 9618
Ketchikan AK 99901

February 3, 2003

Local Boundary Commission
550 West 7th Avenue - Suite 1770
Anchorage, AK 99051 - 3510

Re: Opposition to the formation of a Prince of Wales Island Borough

My family and I operate Sportsman's Cove Lodge, in Saltery Cove, on the eastern shore of Prince of Wales Island. We employ a staff of 32 people in season, 8 of which are year-round. I am a 19 year resident of Alaska, 13 years here in Saltery Cove.

We are adamantly opposed to more government on our island. All of the reasons are very well documented in the letters you have received from my neighbors, in particular the Leightons and the Williams. I urge you to review their concerns carefully. Their points are well researched and are substantiated not only by existing documentation but by their own personal observations and experience. They offer a valuable perspective that you, as decision makers would do well to consider.

In short, our concerns are centered around the following issues:

- The data being used to support the need for a borough on POWI - Borough Incorporation Standards, Chapter 3 - is inaccurate and outdated;
- There is not an adequate tax base to support another local government entity on the island. Ample evidence is available to show that a borough at this time would result in negative revenues;
- The vast majority of this sparsely populated island, the third largest in the United States, lives in remote settings where any services provided by borough agencies would be not only expensive to administer, but also ineffectual;
- The shrinking population of the island is for the most part totally self-sufficient, has always been that way, and is not in need of, nor desires, any assistance from any government beyond what is already available.

In summary, a Prince of Wales Island Borough is a bad concept at the wrong time.

Sincerely,

Larry McQuarrie, CEO
Southeast Alaska Sportfishing Adventures, Inc..
d.b.a. Sportsman's Cove Lodge

cc: Senator Robin Taylor
Representative Georgianna Lincoln
Representative Albert Kookesh
Representative Bill Williams

Local Boundary Commission
550 West 7th Ave. Suite 1770
Anchorage, AK 99501-3510
Fax: 907-269-4539

Jim McFarland
PO Box 19149
Thorne Bay, AK 99919
February 3, 2003

Re: Written comments on the standards of Borough Incorporation for the proposed Prince of Wales Model Borough

I am against the establishment of any borough on Prince of Wales Island at this time.

I have lived in Thorne Bay for 20+ years and have witnessed many changes, starting with the growth of the resident population and local economy to a now severe decline in the island wide population and economy. Even since the 2000 census, the population has fallen by probably as much as 50% in some communities.

Economic Capacity of the Region

There is not currently an economic base on Prince of Wales Island to support a borough government let alone support the objectives of having a borough established. Our population is not currently large enough or stable enough. We can't even finance our current city government at the level of as recent as two years ago.

The logging and road building crews are gone. The price of commercially caught fish is down. Many of the support businesses have folded and moved away. The amount of private land/property on the island is relatively small as other land owners such as the U.S. Forest Service, State of Alaska, Mental Health Trust, University of Alaska, and Native Corporations all own large tracts. All these non taxed land owners make a borough less economically viable. The burden would be on the remaining depressed residents.

Large and Stable Population

As I stated above the logging and road building crews are mostly gone from this island and from all of Southeast Alaska. Many of the past populations number referred to in your draft are related to a transit logging industry that is now gone. The current population is not stable due to a lack of jobs and will not be stable until a new industry becomes established. We have no idea what that industry might be.

Sufficiently Interrelated and Integrated to Support a Borough Government

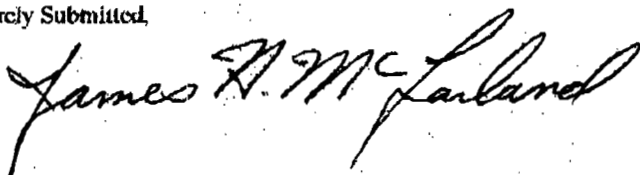
Prince of Wales is an island. That only makes us geographically located in the same place. Some communities on the island are isolated, without road access, because they like it that way. Other communities are native based with their own land base, health care system, their own jobs not open to others, and different hunting and fishing regulation. The rest of the island has reduced and lost it's integration with the loss of our logging industry. Within the last three years the interaction has been reduced to minor contact while shopping for goods and services. My experience from past days of active logging crews is that workers came from all over the island to work together and there-in exchange ideas and keep in contact with other communities. We used to know who lived in the other communities and what their concerns were. Not so much anymore.

A Borough Government would Serve the Broad Public

Sometimes it is hard to see how one more level of government would serve the public. The continuing controversy that goes on between the Ketchikan Borough and the City of Ketchikan governments is not needed nor requested on Prince of Wales Island. However, it is conceivable that in times of good economic health, with a stable population, and good interaction between island communities that one local entity with borough powers could be in the best interest of Prince of Wales Island. To establish that government ahead of that time would be premature and would probably create an even deeper recession on the island.

In summary I don't see how Prince of Wales Island currently meets the standards of Borough incorporation. As a long time resident, I am against the establishment of any borough government at this time on Prince of Wales Island.

Sincerely Submitted,



February 3, 2003

Local Boundary Commission
550 West 7th Ave. Suite 1770
Anchorage, AK 99501-2510
Fax: 907-269-4539

Jean McFarland
P.O. Box 19149
Thorne Bay, AK 99919

Re: Written comments on the standards of Borough Incorporation for the proposed Prince of Wales Model Borough

I am against the establishment of any new governmental agency on Prince of Wales Island at this time. Particularly one that would have the powers and costs of an island wide Borough. I have lived in Thorne Bay for over 20 years and have witnessed many changes. A boom of population and economy in the 80s and 90s to the severe decline of both in 2000. Even since the 2000 census, the population has fallen dramatically in our community as well as many others. Applying the standards of Borough Incorporation set up by the state. It is my opinion that Prince of Wales Island does not meet the criteria at this time.

Economic Capacity of the Region

There is not currently an economic base on Prince of Wales Island to support a borough government let alone support the objectives of having a borough established. Our current population is not large enough or stable enough. We can not even finance our own city government today at the level it was two years ago.

The big logging and road building crews supported by a single organization, Ketchikan Pulp, are gone. The price of commercially caught fish is down and the number of local permit holders has dropped dramatically in all communities. Many of the support businesses have folded and moved away or cut back on services offered. The amount of private land/property on Prince of Wales Island is relatively small. Land owners such as the U.S. Forest Service, State of Alaska, Mental Health Trust, University of Alaska, and Native Corporations all own large tracts of land on our Island. All these land owners are tax exempt by the state. The burden of paying for the borough government and it's projects would be on the remaining economically depressed residents.

Large and Stable Population

As I stated above the large logging and road building crews employing residents are gone from this island as they are from all of Southeast Alaska. Many of the past populations numbers referred to in your draft are related to that transit logging industry that is now gone. The current population is not stable due to a lack of jobs and will not be stable until a new industry becomes established. Communities on the Island are open to new industry to help our Island progress and population increase. No industry to meet our economic needs has been established at this time.

Sufficiently Interrelated and Integrated to Support a Borough Government

Prince of Wales is an Island. Being an Island makes the communities here geographically located in the same place but not interrelated or integrated. Some communities on the island are isolated, without road access by choice. Other communities are Native with their own land base, health care system, their own jobs not open to non natives, and different hunting and fishing regulations. Communities were connected in the past by a common employer and within the last three years the interaction has been reduced to minor contact while shopping for goods and services. My experience from past days of active logging crews is that workers came from all over the island to work together and exchange ideas and keep in contact with other communities. We used to know who lived in the other communities and what their concerns were. Now each community is developing on it's own to provide a place for it's local residents to survive.

A Borough Government would Serve the Broad Public

Sometimes it is hard to see how one more level of government would serve the public. The continuing controversy that goes on between the Ketchikan Borough and the City of Ketchikan governments is not needed nor requested on Prince of Wales Island. However, it is conceivable that in times of good economic health, with a stable population, and good interaction between island communities, that one local entity with borough powers could be in the best interest of Prince of Wales Island. To establish that government ahead of that time would be premature and would create an even deeper recession on the island.

In summary I don't see how Prince of Wales Island currently meets the standards of Borough incorporation. As a long time resident, I am against the establishment of any borough government at this time on Prince of Wales Island.

Sincerely,

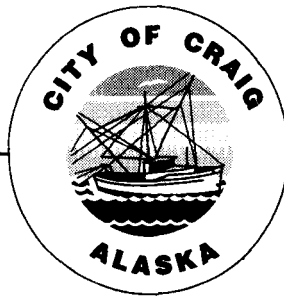
Jean McFarland
Resident Prince of Wales Island

Z-3-03

GREETINGS FROM KASAAN

THIS LETTER CONCERNS THE BOROUGH ISSUE FOR PRINCE OF WALES ISLAND. I BELIEVE THE CURRENT TREND OF ECONOMICS ON THE ISLAND MAKES FOR VERY POOR TIMING TO BECOME A BOROUGH. THE ECONOMY HERE HAS BEEN REGRESSING SINCE THE NINETIES. THE TIMBER & FISHING JOBS ARE A SMALL FRACTION OF WHAT THEY WERE A FEW YEARS AGO. I SEE NOTHING IN THE NEAR FUTURE THAT WILL TURN THE ECONOMY AROUND. I AM NOT OPPOSED TO BOROUGH STATUS IN GENERAL BUT THE TIME IS NOT NOW. I WOULD LIKE TO TRACK THE ECONOMICS OF THE ISLAND AND WHEN THEY ARE ON THE UPSWING AND WILL BE FOR SOME TIME, THEN LETS TAKE ANOTHER LOOK AT THIS ISSUE - THANKS FOR YOUR TIME - BEST REGARDS

DEANIS POLLOCK
P.O. Box KXA
KASAAN, AK. 99950
(907) 542-3066



February 3, 2003

Mr. Kevin Waring
Chair, Local Boundary Commission
550 West Seventh Ave
Suite 1770
Anchorage, AK 99501

Dear Mr. Waring:

The City of Craig has reviewed Chapter Three of the Public Review Draft of the LBC's Review of the Unorganized Borough. The review is required by Chapter 53, SLA 2002. The city offers the following comments on the portions of the draft detailing economic capacity and population size and stability.

Economic Capacity

Section B of Chapter 3 details the economic capacity of the eight model borough areas. The City of Craig believes Section B misrepresents revenues available locally, and fails to account for significant changes that may impact existing municipalities should Prince of Wales Island form a borough government.

While, as the study states on page 9, four of the last five borough governments formed do not levy a property tax, it is also true that all boroughs in Southeast Alaska do levy the tax. The four newest boroughs that do not levy property taxes generate income from excise taxes on uniquely valuable resources not available to the POW model borough. Northwest Arctic Borough (Red Dog Mine) Denali Borough, (Usibelli Coal Mine) Lake and Peninsula Borough (Bristol Bay fisheries), and Aleutians East Borough (Bristol Bay fisheries) all levy resource taxes on resources that occur, or until recently occurred, in volumes and with the dollar values found locally. The proportion of resource values to the population served in these four areas do not exist in the unorganized area in Southeast Alaska. Given the severe impacts to the Bristol Bay fisheries in recent years, and the loss of borough revenue that resulted, it seems unlikely that the Lake and Peninsula Borough and Aleutians East Borough would have organized as boroughs today.

POW faces similar economic impacts from its own resource industries. Prices for commercially caught fish have been depressed for several years. In September of last year the Southeast Conference of Mayors voted unanimously to ask Gov. Knowles to declare a economic disaster due to chronically low prices for salmon. Since then, Ward Cove Packing, the single largest fish buyer and processor in Alaska, announced the permanent end to their activities in most Alaska fisheries, and the sale of all their Alaska properties. Likewise, significant losses to the timber industry since 1994 eliminate it as a source for direct tax revenues to any potential borough government.

Subpart (b) of Part 4 of Section B details several state and federal aid programs available to the eight model borough areas under study. The report does not, however, account for the funding that communities in the unorganized borough currently receive from these programs, and how that funding will change with the establishment of a borough. If it is appropriate to summarize the revenue sources due to a Prince of Wales (POW) Borough from these aid programs, it is also appropriate to estimate the revenue losses to communities within any subsequent POW Borough. It is further necessary to determine the impact that the estimated funding loss will have on each community in the borough.

In the case of Craig, for example, National Forest Receipts funding that is not earmarked for education currently totals approximately \$190,000 per year. Loss of this revenue source is obviously significant to a community with a total fiscal year 2001 general fund budget of only \$1,912,000, yet the study fails completely to address this important impact. The City of Craig, and similarly situated communities, can expect funding losses from other programs from which the city currently receives funding should a POW Borough form. For POW and the other seven areas under study, a complete analysis of what will change with regard to these funding programs is an essential part of the review and must be included in the study.

Similarly, while the study claims a municipal land entitlement is due to newly formed boroughs, there is no detail regarding the extent of vacant, unreserved, and unappropriated state lands in the eight model boroughs under review. If, as the study states, municipal entitlement lands may be sold to generate revenues for a new borough, the extent to which a model borough can reasonably rely on this revenue source requires at least some inventory of potential entitlement properties in each borough.

Also missing is an analysis of the amount of funding each borough can expect from the revenue sources identified in subpart (b). The study frequently lists the aggregate amount available statewide from each source, but makes no effort to determine what each of the eight areas under review might receive. An individual analysis of revenues due to each of the eight areas under review is needed to fairly estimate borough revenue. For example, while National Forest Receipts (NFR) payments to communities in the Tongass National Forest currently total approximately \$9 million, only \$7.6 million of that amount is earmarked for education. Further, the study does not take note of the fact that NFR program is operating on a temporary safety net basis. Current NFR payments are not based upon actual revenues from the forest, as they were until 2000, but on a guaranteed payment amount due to sunset in 2006. If NFR payments to communities were based on actual receipts from the forest, then the State of Alaska and the 25 eligible communities in the Tongass would have split only about \$821,000 between them in 2002, with about 40 percent of that amount going to organized boroughs in Southeast Alaska. Chapter Three cannot be considered complete without a full accounting of the NFR and other funding programs.

The lack of a thorough, detailed analysis of revenues available to the eight model boroughs in the study, and the impacts to existing communities within those model boroughs, does not support the conclusion on page 51 that each of the eight areas under review has the financial resources capable of providing borough services.

Finally, regardless of how it is analyzed, the Prince of Wales area is far too negatively economically impacted to effectively support a borough government. The area is in the bottom quarter of per capita household income (p.49), bottom third of per capita income (LBC Composite Ranking Worksheet), bottom quarter of median household income (LBC Composite Ranking Worksheet), bottom quarter of estimated average household income (p.50), the bottom half of Adults not Working (p. 25), bottom half of unemployment (p.24) with seasonal highs in excess of 20%, and bottom half of percent poverty (LBC Composite Ranking Worksheet). Surely the LBC would agree that the forced application of borough government here is neither the solution to these economic problems nor the a needed obligation of the island.

Subpart (a) of Part 4 of Section B incorrectly reports that the City of Craig levies a six percent tax on raw fish. The city does not levy a raw fish tax.

Population Size and Stability

The report concludes that the POW model borough has a population stable enough to support borough government. But the report gives an incomplete profile of the local population.

The report states that POW population dropped 2.5% between 1990 and 2000. While that may be true, it is also true that the island's population continues to fall. The 2002 population estimate from the Alaska Department of Community and Economic Development (DCED) shows continuing declines in the area's population. Population changes since 1990, as provided by the DCED, are shown below.

POPULATION TRENDS - CRAIG AND PRINCE OF WALES ISLAND													
	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991</u>	<u>1990</u>
Craig	1,227	1,079	1,497	2,136	2,144	2,041	2,062	1,900	1,798	1,695	1,413	1,415	1,260
POW	4,139	4,286	4,581	4,886	5,093	5,101	5,184	4,968	5,008	5,042	4,822	4,828	4,652

While Craig's population remains essentially unchanged between 1990 and 2002, it can hardly be characterized as stable. The state's population estimate surged and ebbed greatly between 1990 and 2002. Perhaps most telling is the 18 percent population loss experienced just since the 2000 census.

The island's population changed significantly during the decade, with a nearly 25 percent fall from the 1997 high. Just since the decennial census, the island's population has dropped by ten percent. That drop is part of a persistent and worrisome trend that began in 1998, and has led to the departure of nearly 1,000 residents. The city fails to see how such changes in population can be characterized as stable, even in the context of

supporting borough government. While the city does not believe the Island's population will drop below the 1,000 person presumptive minimum, the proportional declines are significant enough in degree and duration to adversely affect a potential borough level government.

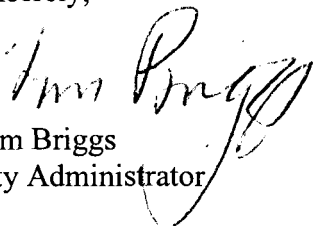
Focus of Debate

It is common knowledge that funding for schools, specifically REAA funding, is the driving force behind the legislation that authorized the unorganized borough study. All parties to this issue are better served by focusing on REAA funding, rather than the larger issue of borough formation. While boroughs are one way to compel local contribution to schools, there are other solutions that do not also create a host of new problems for rural areas that would come with communities being forced into organized boroughs.

The Craig City School District receives financial support from the City of Craig in the same proportion as Fairbanks North Star Borough Schools receives support from the Fairbanks North Star Borough. Fairbanks schools are no more responsible for REAA funding issues than are Craig schools. Yet the Craig school district could well face extinction while the Fairbanks district would not, despite the fact that both districts are on an equal footing with regard to local funding.

Providing for local funding of REAA schools from the communities they serve is certainly the most narrowly tailored possible solution. The City of Craig urges the LBC to consider this alternative in its report to the legislature.

Sincerely,



Tom Briggs
City Administrator

204 PPV
Port Protection
Alaska 9950-0180
February 3, 2003

Local Boundary Commission
550 West 7th Ave Suite 1770
Anchorage AK 99501-3510

Dear Commissioners:

I am writing to respond to the standards which include Port Protection and Point Baker in the Prince of Wales Model Borough, and asking that we be put in the Gustavus Model Borough.

Port Protection and Point Baker are roadless villages on the northern end of Prince of Wales Island, physically remote from the rest of the Island. They traditionally rely on small commercial fishing operations for income, supplemented by heavy use of subsistence resources. They have worked actively to stay off the logging road system, because of negative impact on ~~our~~ subsistence use areas from ferry traffic from Ketchikan and other towns. (The USFS has already found our deer population to be so negatively impacted that it will be inadequate to meet future needs). Many in both villages have fought logging.

The other villages on POW are different from us. Most are logging communities. They have very different land use values. They want different things to happen on the south end of the Island i.e. road improvements, ferry terminals, airports etc. These things won't benefit the north end of the Island. Instead they will put more destructive pressure on our subsistence

way of life, and we will be forced to pay for it! We will be powerless in a POW brought because of our extreme minority position and also because we are disliked for our 25 year record of fighting against clearcut logging. Our subsistence way of life, protected by ANILCA, will be destroyed by development pressures.

For this reason, I feel the LBC has an obligation as part of its standards for social, cultural and economic interrelation, to consider ANILCA Title VIII regarding subsistence protection. Good data on subsistence use patterns is available from ADFA Subsistence Division. It will show that we are closer in social, cultural and economic ties to the towns in the Glacier Bay Model Borough than we are to lower POW Island.

I will give you two examples to show why Port Protection and Point Barrow cannot receive fair treatment in a POW Borough:

① Port Protection and Point Barrow have a member group on the Southeast Alaska Conservation Council Board of Directors. SEACC scheduled a big broad meeting in Craig, and set up housing in advance with churches. The Mayor of Craig worked to get the housing taken away from SEACC members, and the meeting was driven out of Craig and had to meet elsewhere.

② There was a U.S.F.S. Public Hearing on the Roadless Wilderness Bill on the Tongass Forest held in Craig. I talked to a man from Craig who supported the Bill but was afraid to testify because he would endanger his job with the city.

He said no one from Craig dared to testify in support of roadless willfulness. (all the Craig testimony was against the Bill).

This is the political climate that prevails on Lower POW Island. If you put Port Protection and Point Baker on a Brough with the lower part of the Island because it is geographically neat, and maybe more convenient for the State, you will be doing us a grave and irreparable injustice.

In the process of Broughing, our villages deserve the protection Congress gave us in NWLCA Title I Sec 101(c), Title VIII Sec 801(3) and Sec 802(1). I ask you to please re-evaluate your standards in this light, and put us in the Gustavus Hood Brough with villages similar to us. (I think Port Alexander, Edna Bay and Meyers Chuck should be in it too). That way perhaps our tax revenues can go to fisheries enhancement projects + other common needs, rather than to "services" that won't even serve us.

Thank you for the chance to comment. I am sorry for its hand-written length, and appreciate your consideration of it.

Sincerely,

Hatches V. Chatter.

C.C. Port Protection Community Association
Point Baker Community Association
ADF+D Subsistence Division
USFS Subsistence Division
Summer Strait Fish and Game Advisory Committee

Melvin & Jerilyn Fairbanks
P O Box 6896
Ketchikan, Alaska 99901

February 2, 2003

State of Alaska
Local Boundary Commission
550 W. 7TH Avenue - Suite 1790
Anchorage, Alaska 99051

We are writing to express our opposition to the forming of a Prince of Wales Island Borough. I am a commercial fisherman and a 26 year resident of Prince of Wales Island. There hasn't been any stability in the fishing industry in years and the last few years have been near disastrous. I troll fish in the summer and shrimp in the winter. The shrimp season used to be open from October through February. The competition is so great now that the allowable quotas are being met earlier each year. Over the last few years we are lucky if the shrimp season lasts through the month of October. The closure of the Cold storage plant in Craig is a good indication of the profitability of the fishing industry.

By personal experience I can vouch for the economic instability of the fishing industry. Any dependence on the currently suffering fishing industry contributing financial support to help form a Prince of Wales Borough is one more road block to the survival of an already endangered industry.

Prince of Wales Islands' current economy and working population cannot afford the cost of forming and maintaining a Borough. The economic data in CHAPTER 3, APPLICATION OF BOROUGH STANDARDS is out dated and in no way reflects the true current economic conditions on Prince of Wales Island. We reaffirm our adamant objection to placing any more financial burdens on the working residents of Prince of Wales at this time.

Sincerely,


Melvin & Jerilyn Fairbanks

cc: Representative, Albert Kookesh
Senator Georgianna Lincoln

JOHN J. SCHNABEL
P.O. Box 149 • Haines, AK 99827
(907) 766-2821 • 766-2228 • Fax 766-2832

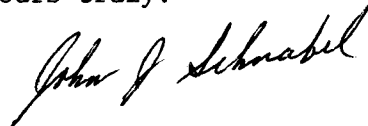
January 28,03

Mr Dan Bockhorst
Boundry Commission
550 west 7th Ave. Suite 1770
Anchorage, Alaska 99501- 3510

Dear Mr. Bockhorst,

I believe the construction of a road between Haines and Skagway as part of the Juneau Access Project will add a positive to the formation of a Haines/Skagway Borough. The Communities are already tied by the Skagway Hydro generating plant. We have mutual Public Radio and a fast Ferry carries Thousands of travelers daily between the two cities. With a road we will become economically and politically a closer and more dependent Municipality I support the position that the Upper Lynn Canal should be One Borough.

Yours truly.

A handwritten signature in cursive script, reading "John J. Schnabel". The signature is written in dark ink and is positioned below the typed name "John J. Schnabel".

THE HAINES/SKAGWAY INTERTIE
as part of the
JUNEAU ACCESS IMPROVEMENT PROJECT



If the state and federal governments are to spend hundreds of millions of dollars for a Juneau road link, both communities must be included in the route.

To accomplish this, a road link between Haines and Skagway must be on the Transportation Departments list of alternatives.

A Haines/Skagway link would provide obvious benefits for tourism and other commerce in Lynn Canal. It would also provide a great benefit for the rest of Southeast Alaska, by eliminating the need for mainline ferry service from Juneau, north.

The two, and sometimes three mainline ferries that currently serve Haines and Skagway could be put permanently into service in central and southern Southeast.

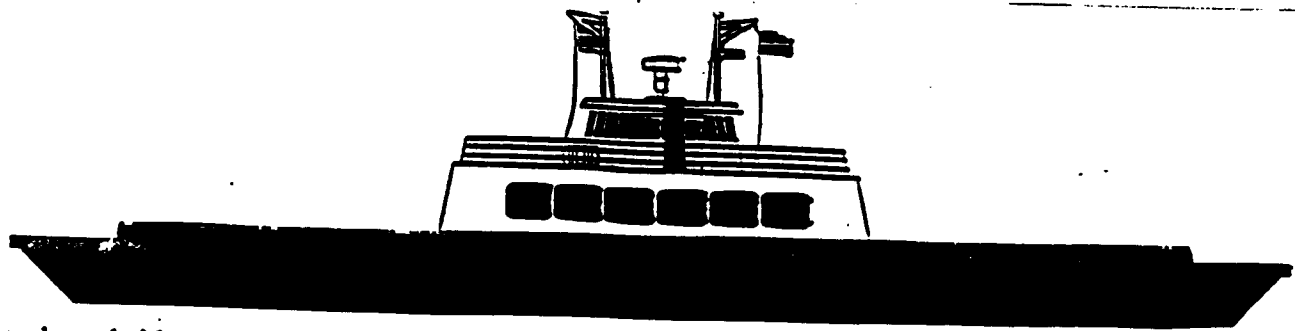
An Intertie is especially critical for Haines.

If the departments current favored alternative, an east Lynn Canal Road, is built, Haines would be cut off from the benefits this large project would bestow on the rest of southeast.

Haines would truly be the end of the road.

But an Intertie would allow both communities to be linked with Juneau and the rest of Alaska, and avoid the certain stagnation that would result from being left off the beaten path.

THIS IS WHAT IS PLANNED FOR HAINES



starboard side of the car deck. The car deck would have 6 lanes and would be capable of carrying extra wide vehicles. Although shown in this analysis to operate 365 days per year from 0600 to 2200, the vessel being of open deck design, would actually only be able to operate around 2/3 of the year. Also, sailings at any time of the year could be canceled on short notice due to the way the winds suddenly come up in Lynn Canal. The main particulars are detailed in Table VI-5.

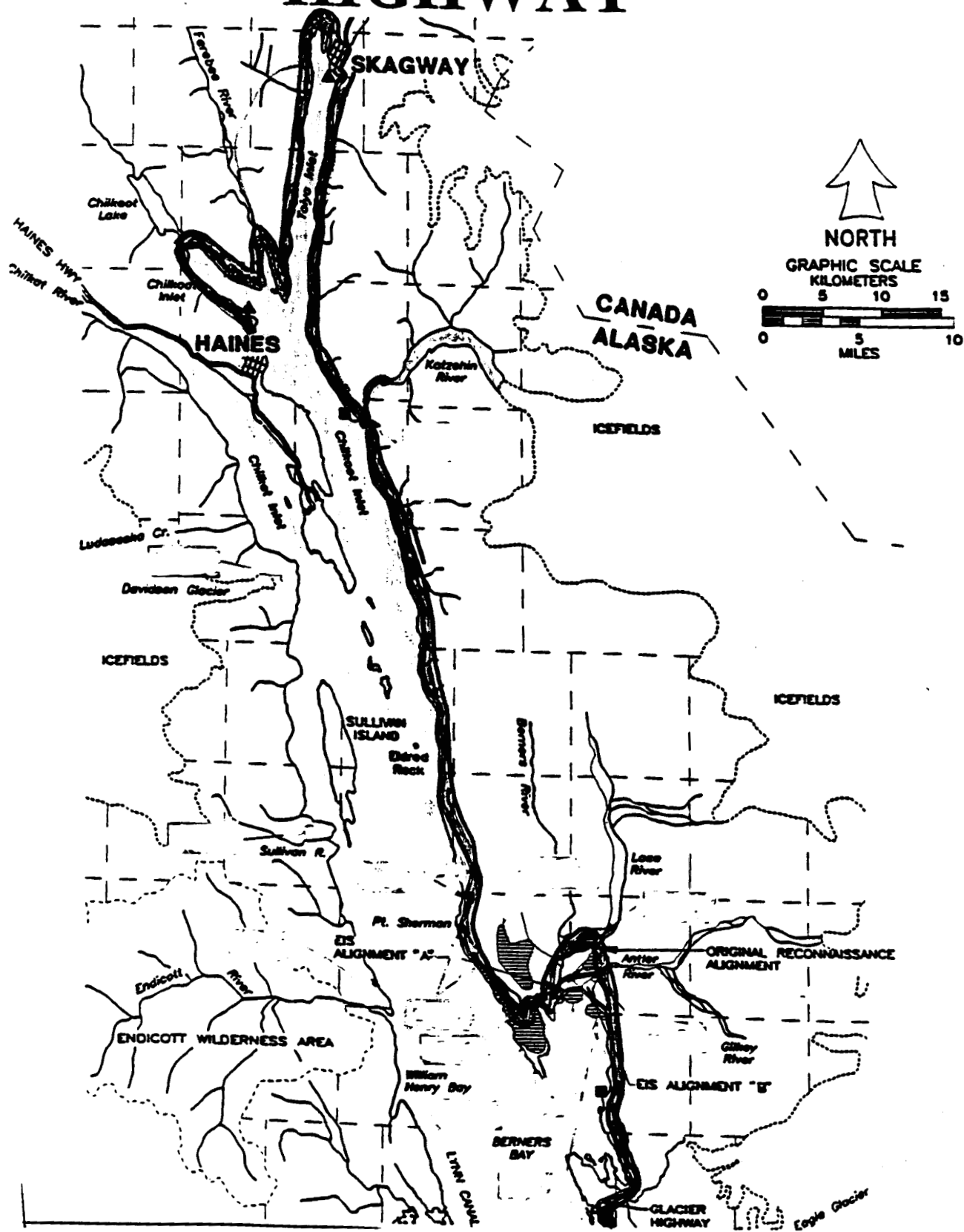
Double-Ended Steel Passenger Vehicle Ferry	
Length	250 ft (76.2m)
Beam	74 ft (22.5m)
Depth at ship side	18 ft (5.5m)
Payload	102 Long Tons (103.6 Tonnes)
Nominal Vehicles	38
Passengers	245
Speed	11
Horsepower	940 x 2
Fuel Rate	40 gal/hr
Crew (12 Hr. Operation)	
Deck	4
Engine	2
Passenger Service	3
Maintenance Cost	2
Estimated Design & Procurement Cost	\$115/hr
	\$10 Million

Table VI-5
Vessel Characteristics
East Lynn Alternative Model

Terminal Discussion

The Katzebin terminal will be not be staffed. Line handling will be done by the ferry's deck hands. All ticketing for departing or arriving customers will be done at Haines. This ticketing process eliminates the requirement for a car holding area entirely. Vehicles will wait in the north bound traffic lane with a stop bar and sign indicating where the first car should wait. Since there will be no terminal employees on the east side, the terminal will become a shelter from cold weather. Customers will need a shelter to wait in rather than their own cars, especially since a number of sailings throughout the year, especially in winter, will be canceled on a short notice due the way the weather

HAINES PREFERS A JUNEAU-HAINES HIGHWAY



FRANK H. MURKOWSKI

ALASKA

COMMITTEES:

CHAIRMAN

ENERGY AND NATURAL RESOURCES

FINANCE

VETERANS' AFFAIRS

INDIAN AFFAIRS

United States Senate

WASHINGTON, DC 20510-0202

(202) 224-6865

222 WEST 7TH AVENUE, BOX 1
ANCHORAGE, AK 99513-7570
(907) 271-3735

101 12TH AVENUE, BOX 7
FAIRBANKS, AK 99701-6278
(907) 456-0233

P.O. BOX 21647
JUNEAU, AK 99802-1647
(907) 586-7400

130 TRADING BAY ROAD, SUITE 350
KENAI, AK 99611-7716
(907) 283-5808

109 MAIN STREET
KETCHIKAN, AK 99901-6489
(907) 225-6880

August 23, 1996

Mr. John J. Schnabel
Post Office Box 149
Haines, AK 99827

Dear John:

Thank you for your letter regarding the possibility of expansion at Klondike Gold Rush National Historical Park.

The possibility of a future road link between Haines and Skagway is a very important issue to me. At this time, the National Park Service is investigating expansion opportunities at Klondike Gold Rush, but there are no immediate plans for boundary changes. However, if this movement comes to fruition, it is my every intention to require the National Park Service to address state rights-of-way issues with regard to any expansion opportunities. Sometimes expanding a park's boundaries is an important way to restore natural resources, but I agree that we must do this without compromising access and rights-of-way.

Thank you again for your letter, I appreciate your concerns about the future of access in Alaska.

Sincerely,


Frank H. Murkowski
United States Senator

FRANK H. MURKOWSKI
ALASKA

COMMITTEES:

CHAIRMAN
ENERGY AND NATURAL RESOURCES
FINANCE
VETERANS' AFFAIRS
INDIAN AFFAIRS

United States Senate

WASHINGTON, DC 20510-0202
(202) 224-6665

222 WEST 7TH AVENUE, BOX 1
ANCHORAGE, AK 99513-7570
(907) 271-3735

101 12TH AVENUE, BOX 7
FAIRBANKS, AK 99701-6278
(907) 456-0233

P.O. Box 21647
JUNEAU, AK 99802-1647
(907) 586-7400

130 TRADING BAY ROAD, SUITE 350
KENAI, AK 99611-7716
(907) 283-6608

108 MAIN STREET
KETCHIKAN, AK 99901-6489
(907) 225-6680

January 30, 1997

Mr. John J. Schnabel
Post Office Box 149
Haines, AK 99827

Dear John:

Thank you for contacting me regarding Mr. Scribner's comments about the Shakwak Highway Project. I appreciate hearing from you.

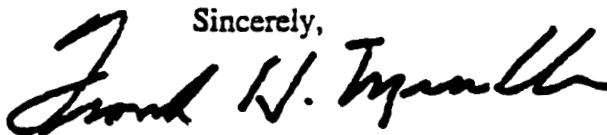
As you may know, 23 USC 218 (copy enclosed) provides for reconstruction of the Alaska Highway from the north Alaska border to Haines Junction in Canada, and the Haines Cutoff Highway from Haines Junction in Canada to the south Alaska border.

In addition to direct appropriations from Congress, this law authorizes the State of Alaska to use any of its apportioned federal-aid highway funds for the Shakwak Project.

The Shakwak legislation, as it is presently written, does not allow for a road to be constructed to Juneau. Mr. Scribner assures me he has been very clear on that point in all discussions with the public.

However, it is also correct, as Mr. Scribner has stated, that the Shakwak Authorization could be used to construct a project to Juneau if legislation were to change the southern terminus (the 39 mile mark outside of Haines) from the south Alaska border to Juneau.

Sincerely,



Frank H. Murkowski
United States Senator

Enclosures: 1

*This was held up when
Gov. Tony Knowles stopped, by
Executive Order, the completion
of the Impact Study. The
present Governor has ordered it
resumed.*

Post-it* Fax Note	7671	Date	# of pages
To	John Schwabel	From	DEBBIE
Co./Dept.		Co.	Sen. Mackie
Phone #		Phone #	
Fax #	766-2832	Fax #	465 3517

HOUSE CONCURRENT RESOLUTION

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE HUDSON

Introduced: 2/17/97

Referred: Transportation

A RESOLUTION

1 Supporting construction of the east Lynn Canal highway.

2 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

3 WHEREAS there is a need to improve surface transportation to Juneau because the
4 state ferries can accommodate only one-seventh of the people wanting to travel to or from
5 Juneau, and improved access to Juneau will improve the quality of life for most residents of
6 the Lynn Canal area; and

7 WHEREAS the current surface transportation bottleneck in the Lynn Canal area
8 affects local, regional, interstate, and international movement of people, goods, and services;
9 and

10 WHEREAS proposals to improve surface access to Juneau have been studied for more
11 than 70 years; and

12 WHEREAS the Department of Transportation and Public Facilities is again evaluating
13 ways to improve surface transportation between Juneau and Haines, Skagway, and the rest of
14 Alaska and North America; and

15 WHEREAS a land highway is the most efficient way to increase the options and
16 opportunity for travel to and from Juneau and to reduce the time and cost of travel to and
17 from Juneau; and

0-LS0390VE

WHEREAS the construction of 65 miles of land highway on the east shore of Lynn Canal is technically feasible, economically justified, and fundable and faces no insurmountable environmental obstacles; and

WHEREAS the construction, operation, and maintenance of a land highway along the east shore of Lynn Canal to connect Juneau with Skagway and Haines would complement the transportation services provided in Southeast Alaska by the Alaska marine highway system and would allow a mainline ferry vessel of the Alaska marine highway system to provide additional transportation services to other areas of Southeast Alaska that do not have the option of surface road transportation to other communities; and

WHEREAS the proposed east Lynn Canal highway would lower the cost-of-living for residents of Haines and Skagway; and

WHEREAS the proposed east Lynn Canal highway would be a very scenic highway and would provide access to new recreation areas for Alaskans; and

WHEREAS the proposed east Lynn Canal highway would provide over \$40,000,000 in economic benefits to the mining interests in the Lynn Canal area; and

WHEREAS more than 75 percent of the residents of Juneau believe that improved access is important to their community while only 3 percent of the residents of Juneau, Haines, and Skagway believe that there are no transportation needs; and

WHEREAS there is an opportunity for unique funding to construct the east Lynn Canal highway that would not affect the funding for other projects in Alaska;

BE IT RESOLVED that the Alaska State Legislature supports construction of the east Lynn Canal highway at the earliest possible date.

SOUTHEAST CONFERENCE

An Alaska Regional Development Organization and USDA Resource Conservation and Development Council

A RESOLUTION IN SUPPORT OF IMPROVED ROAD ACCESS IN SOUTHEAST ALASKA

(Resolution 97-15)

- WHEREAS the Department of Transportation and Public Facilities has initiated preparation of a master transportation plan for Southeast Alaska, and
- WHEREAS Southeast Conference supports road access to the Alaska Marine Highway System, regional airports, and existing road systems, and
- WHEREAS improved road access is essential to sustain community stability, facilitate multiple use corridors, and encourage continued growth in the region, and
- WHEREAS improved road access will increase the carrying capacity of the Alaska Marine Highway System, thereby improving its ability to provide increased service to all communities in Southeast Alaska.

NOW THEREFORE BE IT RESOLVED THAT:


Southeast Conference supports the efforts of Southeast Alaskan communities to obtain improved road access.

Southeast Conference urges that highway extensions to improve regional transportation be vigorously pursued, including but not limited to the Baranof Road from Sitka to Baranof Warm Springs, the Walden Point Road near Metlakatla, the Bradfield Road near Wrangell, the preferred alternative for Juneau Access, including the Haines/Skagway Intertie, and the North Prince of Wales Island access to Coffman Cove, Naukatli Bay, and Whale Pass.

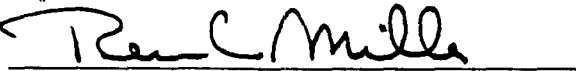
This Resolution be sent to the Governor, Legislature, Department of transportation and Public facilities, and the State's Congressional Delegation

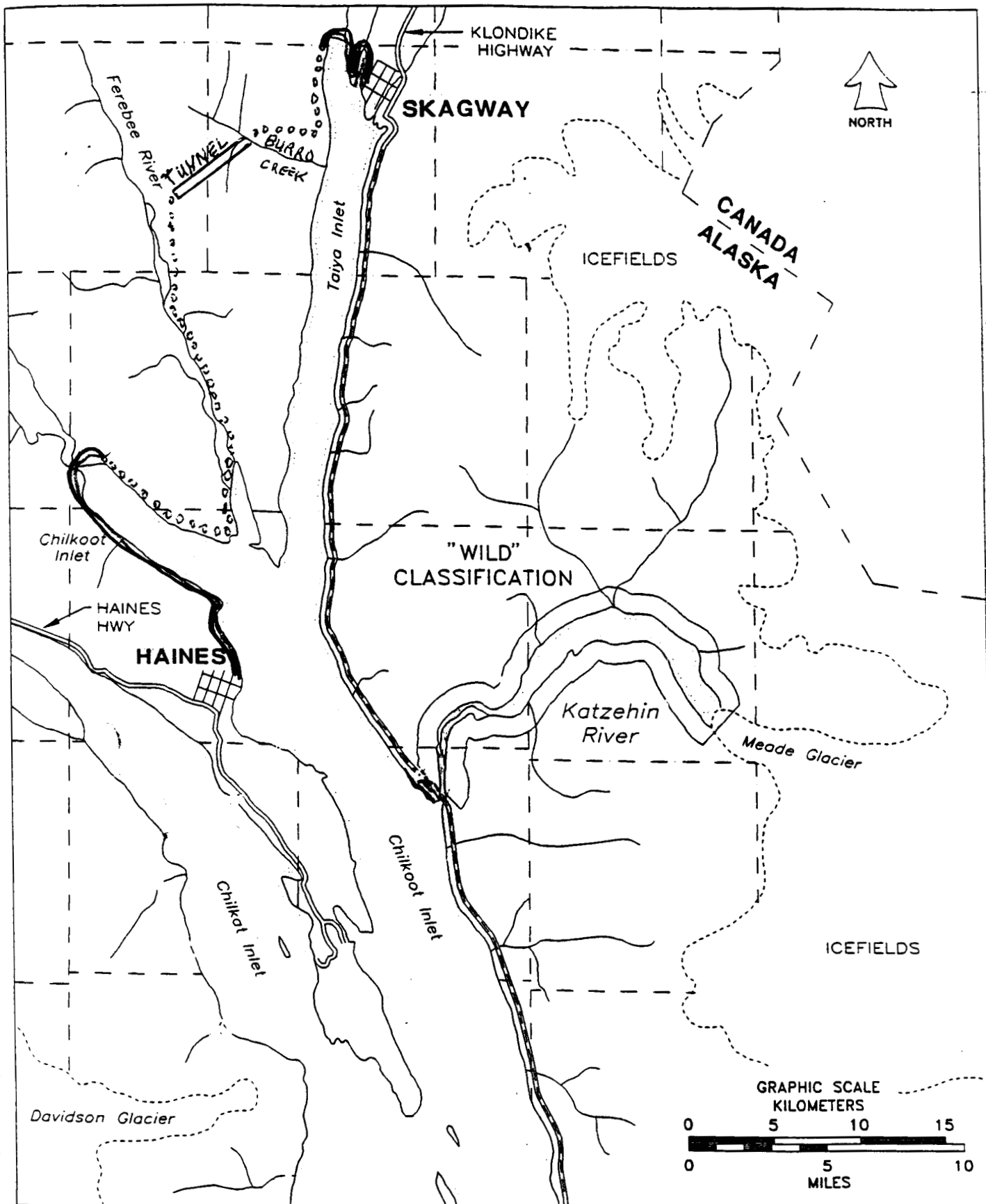
ADOPTED BY SOUTHEAST CONFERENCE ON SEPTEMBER 26, 1996.

Witness:


John Tronrud - President Southeast Conference

Attest:

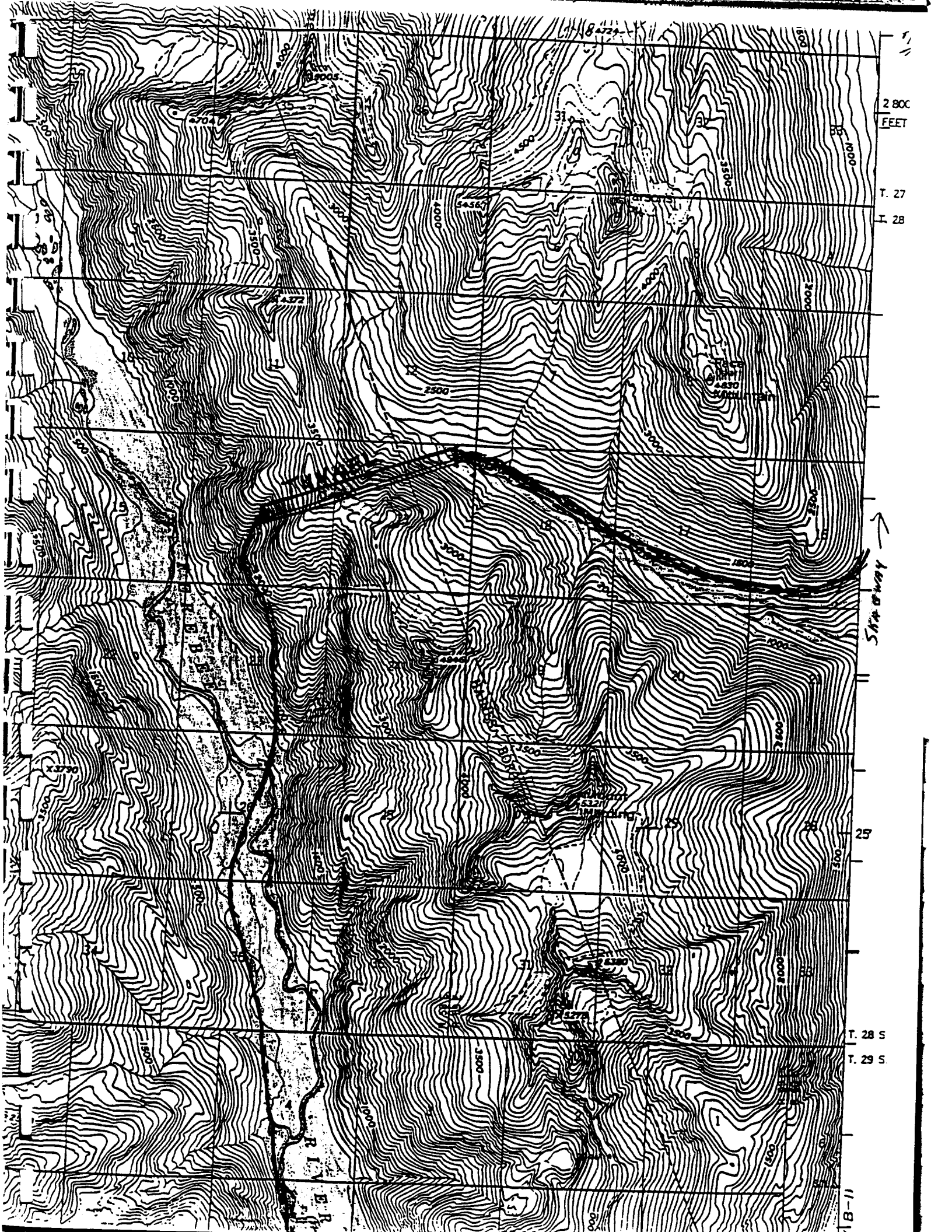

Berne C. Miller - Executive Director



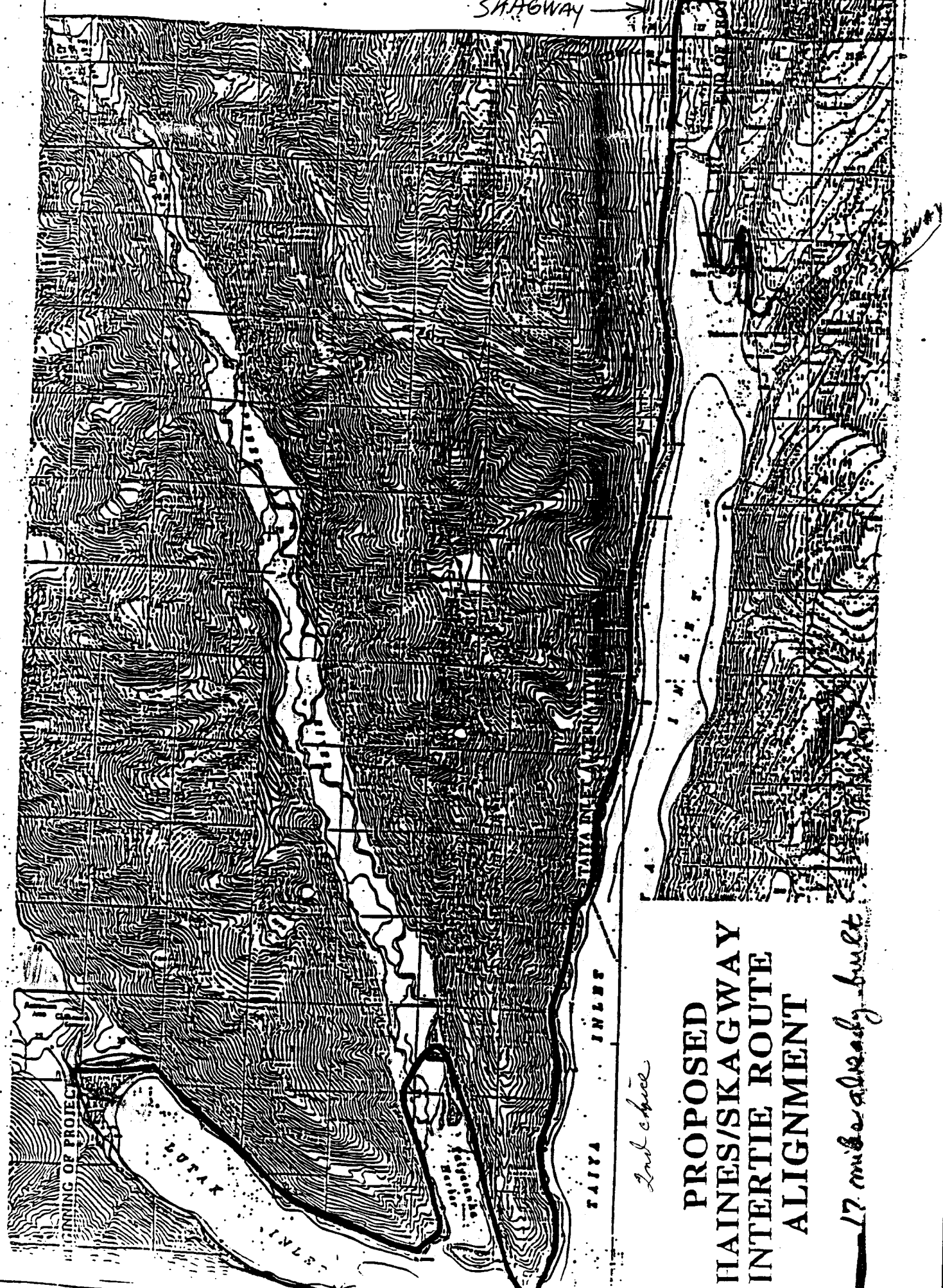
FEREBEE RIVER ROUTE TO SKAGWAY
WITH A TUNNEL TO BURRO CREEK

FIRST CHOICE

EXISTING ROAD BETWEEN HAINES/SKAGWAY ~~_____~~
NEW ROAD BETWEEN HAINES/SKAGWAY .oooooo.oooo



SKAGWAY



BEGINNING OF PROJECT

TAIYA RIVER ALTERNATIVE

TAIYA INLET

1st choice

PROPOSED
HAINES/SKAGWAY
INTERTIE ROUTE
ALIGNMENT

17 miles already built

HAINES



HAINES VISITOR BUREAU

CITY OF HAINES, ALASKA

April 8, 1996

John Schnabel
P.O. Box 149
Haines, AK 99827

Dear John:

Thanks for taking the time to explain the proposed link from Haines to Skagway by way of road as part of the Juneau Access program. From the standpoint of attracting visitor traffic, this routing would provide many benefits to Haines and Skagway, as well as Juneau. I will detail my thoughts below.

For starters, this path would allow for a great deal of increased independent visitors arriving by motor vehicles. Many visitors on their way up and down the Alaska Highway presently don't stop in Haines. This is because they must rely on the Ferry for transport between Haines and Skagway, or they must back-track up the Highway. As we know, the ferries have logistical problems with arrival/departure times at all hours, as well as capacity and cost concerns for travelers. Having a road link from Haines and Skagway would stimulate visitation by these travelers. Visitors using the Alaska Highway north-bound, upon reaching Whitehorse, would be inclined to visit the Capitol City of Alaska by traveling through Skagway and Haines. Southbound Alaska Highway travelers, upon reaching Haines Junction, would be inclined to travel through Haines to Juneau and back to the Alaska Highway through Skagway.

Building on top of the previous base of increased visitation would be those visitors more likely to visit Juneau as road travel permitted. With a link from Haines to Juneau, Haines would see increased visitation as individuals make their way back and forth. This would also be an attractive option for Yukoners who would make use of this route frequently.

I have detailed in the charts below a rough idea of the amount of traffic that travels the Alcan as tabulated at the US & Canada border stations at Beaver Creek. Also outlined is a recap of the traffic flow for the same period through the Haines/Dalton Cache customs stations. This will give a rough idea of how much potential traffic that there is to draw from that might choose to visit Haines, Skagway, and Juneau as they traveled this more accessible route.

P.O. BOX 530 • HAINES, AK 99827 • (907) 766-2234 • FAX (907) 766-3155

E-MAIL: hainesak@wwa.com • WORLD WIDE WEB: <http://www.haines.ak.us>

1995 Northbound Passenger Traffic Through US Customs (Alcan Hwy)

MAY	JUNE	JULY	AUGUST	SEPTEMBER	TOTAL
11,268	29,759	30,392	18,937	10,210	100,566

1995 Southbound Passenger Traffic Through Canada Customs (Alcan Hwy)

MAY	JUNE	JULY	AUGUST	SEPTEMBER	TOTAL
7502	18,985	32,686	28,901	14,135	94,707

1995 Northbound Passenger Traffic Through Canada Customs (Haines)

MAY	JUNE	JULY	AUGUST	SEPTEMBER	TOTAL
3993	8160	10,476	9185	4109	35,923

1995 Southbound Passenger Traffic Through US Customs (Haines)

MAY	JUNE	JULY	AUGUST	SEPTEMBER	TOTAL
3889	8449	12,204	11,411	5841	41,794

Though this data cannot be used as a precise indicator of the level of visitation that may increase in the upper portion of the Inside Passage (Haines, Skagway, Juneau), it does show that there is an immense pool of potential visitors to draw from. It is logical to assume that a large percentage of these visitors would elect to visit Juneau if their primary mode of travel (road) was available.

In looking at the large number of potential visitors that this route would provide, it is also important to look at their spending habits. As we know, these "rubber tire" travelers have spending habits that benefit a wide cross section of community businesses. These visitors tend to frequent more businesses in a community than any other type of visitor. These include not only motels & bed and breakfasts, but campgrounds, automotive repair shops, grocery stores and other retailers, service stations, restaurants, as well as the other tours and attractions that other visitors enjoy. These travelers also stay longer in communities with multi-night stays that generate a higher level of spending per visitor.

Besides drawing more summer visitors to Haines, Skagway, and Juneau, this route would open Haines and Skagway to enhanced visitation from Juneau as local residents and visitors to Juneau would find this region much more accessible. This would open a new corridor of "weekender" traffic not only in

the summer but in winter as well. The potential to promote eagle-watching in the winter would be greatly increased as passengers arriving by jet into Juneau would have road alternatives into Haines. This would make for fast and efficient transportation alternatives. Much in the same way, Haines and Skagway would become more accessible to other Southeast communities as individuals took advantage of this route while traveling to or through Juneau.

There are a number of other benefits that this route would provide due to its existence. One of these would be the recreation opportunities afforded. A route from Haines to Skagway would undoubtedly provide hunting and fishing access to new regions. Opportunities for hikers and backpackers would also be present.

Though I have not been to this area before, I understand that this route would travel near the Ferebee Glacier and would be a very scenic trip through the Ferebee Valley. This in itself would be a draw for travelers who could enjoy this area.

Road travel would allow for individuals to come and go at will and balance out the flow of traffic that otherwise arrives by ferry in concentrated numbers at specific dates and times.

These would be benefits of the road from Haines to Skagway as part of the Juneau Access program that I can identify, though I'm sure that there are many others. Please give me a call if I can assist further.

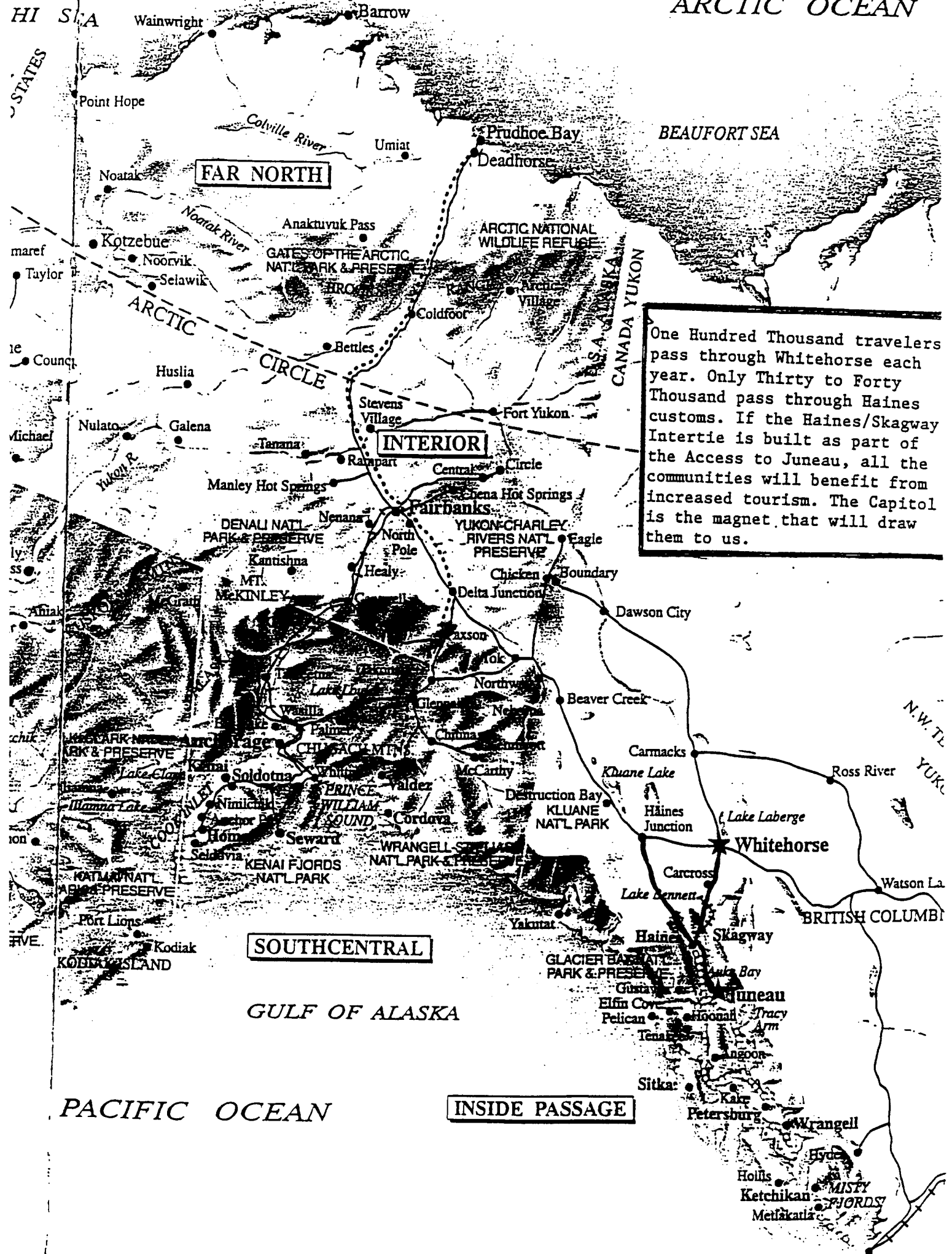
Sincerely,



Tyson Verse
Tourism Director

P.S. The rubber tired tourist is our best bet.

ARCTIC OCEAN



Local Boundary Commission

From: <Chenegaepa@aol.com>
To: <LBC@dced.state.ak.us>
Sent: Friday, January 31, 2003 10:29 AM
Subject: unorganized borough review

I am very concerned about the proposal to include Prince William Sound into a borough. I tried to find a map or a physical discription of how PWS would be incorporated and could not find. Please send or direct me towards that info.

Does this plan include the remote locations within the Sound? As a property owner on a remote island, I do not wish to be incorporated into a borough in which my taxes would not be used to serve me. The government will not be providing these remote island locations with safety personel, roads, schools, street lighting, snow removal or paving. Nor would the "voice" of the remote communities be "heard" among the clamour of large urban voting districts. The redistricting that recently occured put this part of the Sound under the voting district of the Anchorage hillside, obviously, our needs will not be adequately addressed due to the disparity of lifestyles, location and sheer numbers. I am emphatically against locations such as this being incorporated into the borough system.

Thank you,

Mrs. Katherine A. McLaughlin
PO Box 8043
Chenega Bay, Alaska 99574

Local Boundary Commission

From: <Cspirittwo@aol.com>
To: <LBC@dced.state.ak.us>
Cc: <Senator_Georgianna_Lincoln@legis.state.ak.us>; <Senator_Gary_Wilken@legis.state.ak.us>; <Representative_Albert_Kookesh@legis.state.ak.us>
Sent: Thursday, January 30, 2003 8:27 AM
Subject: written comment for LBC hearing on Feb. 6th

To: LBC@dced.state.ak.us

Fm: Mr. Kenneth L. Klawunder
 P.O. Box 156
 Gustavus, Alaska 99826

Re: Remarks for the LBC hearing Feb. 8th regarding the formation of Boroughs.
 The Glacier Bay Borough

Dear Local Boundary Commission Members:

The purpose of this letter is to submit a brief written summary of my concerns and suggestions to the LBC regarding the formation of the Glacier Bay Borough. I have been a landowner and a resident of Alaska since 1967, living in Juneau for 9 years, Tok for 18 years, and finally Gustavus for the past 10 years.

The Constitution of Alaska has set forth a plan to create boroughs throughout the State of Alaska. This may have been a desirable plan during the 1950's and 60's however that may not be the case today. I do understand that many citizens within the organized parts of Alaska are concerned that taxation for the operation of schools is not applied equally and that the unorganized parts of Alaska are not paying for their schools within the REAA districts. The formation of boroughs is only one expensive alternative in the State's quest for equitability in taxation but may not be the best nor the most efficient.

One of the prerequisites for the formation of a borough is population and the ability of those folks to successfully support the functions of a borough. The proposed Glacier Bay Borough encompasses a population estimated at 1739, however, many locations within the proposed borough such as Pelican are losing citizens and some, like Whitestone Logging Camp, have closed due to a decline in the logging industry. This area encompasses one of the smallest populations within any of the Model Boroughs and it may not be sufficient to successfully perform the functions of a borough.

Areas within the Proposed Model Boroughs are to be socially and culturally interconnected. The Glacier Bay Borough encompasses five communities spread from Tenakee Springs, midway down Chatham Strait, to Pelican on Lisianski Inlet near the outside waters of the Pacific Ocean. The largest community, Hoonah, situated on Chichagof Island along the south side of Icy Strait has a significant Native population. On the north side of Icy Strait is Gustavus, the second largest community that is almost all white. Between Gustavus and

Pelican is the small, unincorporated community of Elfin Cove with a mostly seasonal white population. In this proposed borough there are two 1st Class Cities, Hoonah and Pelican, one 2nd Class City, Tenakee Springs, and two unincorporated communities operated by Community Associations, Gustavus and Elfin Cove, however, Gustavus has petitioned the LBC to become a 2nd Class City.

Although these culturally diverse communities are spread over a largely unpopulated region, it is not the only difficulty facing the cooperative borough formation of this region. In order to build trust prior to borough formation, these communities must have the ability to visit, form social ties and to interact with one another. Gustavus has neither ferry service, nor an inexpensive way in which to visit these other communities. Air service is the only way Gustavus residents can travel to other areas of the proposed borough and the expense is prohibitive. For example, there are no scheduled flights from Gustavus to Hoonah which is 25 miles away and the cost of a drop-off is \$75 each way per person. To reach Pelican a person must charter a floatplane in order to make the trip and that is even more expensive. There are many members of the Gustavus community who have never been to any of the communities within the proposed borough. Small boats can make the trip from Gustavus to Hoonah however the crossing of Icy Strait is sometimes difficult and other times impossible.

Borough formation anywhere within the State of Alaska is expensive and not always in the best interest of the population. In order to form a borough the State of Alaska must designate \$600,000.00 for the first three years of operation for each borough. The total amounts to \$4,800,000.00 in order to put all eight boroughs into operation for the first three years. If equitability in taxation is the purpose for the move to create boroughs, there may be an easier and less expensive method. The Alaska State Legislature is the Assembly for all Unorganized Borough areas and could tax that borough without the formation of a new borough. An assessment on land for property taxes, sales taxes, or a head tax within the Unorganized Borough may be sufficient to provide support for the schools of the region while keeping them within the present structure of the REAA.

Taxation equitability is another problem with the formation of a Glacier Bay Borough. If there are segments of the population within the proposed borough who are exempt from any borough tax, the cooperation within that borough will suffer and the gains desired from the borough formation will have been compromised. Taxation must provide for equitability, fairness, and simplicity to be effective.

The purpose for forming a Borough must encompass more benefits than just the tax advantage for the State. Citizens living within the borough will expect some measure of services provided by this borough which can not be provided by the city government. That expectation may not be realized in the Glacier Bay Borough due to the vast geographical size and the sparseness of the population. There are few services that could be provided over this large region that could not be provided by the respective city governments. Cities within the newly proposed Glacier Bay Borough are separated by

significant water areas which make any large scale benefits of this new layer of government difficult, inefficient if not ineffective.

In summary, there are alternatives to the formation of Model Boroughs even if taxation of the population within those areas is the final desire. The need to incorporate all areas of the Unorganized Borough may have been a feasible quest when the coffers of the State were filled with oil money but that solution may not now be the best alternative. Each of the Model Boroughs is unique with their own set of problems. If tax equality throughout the State is the desire, then the answer may be with taxation and not with the formation of new boroughs. Creating boroughs for borough sake may be a great waste of both time and money for the State of Alaska and for the people within those borough areas.

I sincerely hope that the Local Boundary Commission hears all concerns and that the State Legislature does not rush to judgement just because the Constitution of Alaska, at some time in the past, called for all areas of the State to become part of a borough. It is my firm belief that all Alaskans want to do their share in the provision of good schools for our youth. How those tax dollars are obtained and at what level is the real question and it must be done in a manner that does not adversely effect the lifestyle or the livelihood of rural Alaskans.

Thank you so much for the opportunity to write my concerns regarding this important matter.

Sincerely,

Kenneth L. Klawunder

Cc: Senator Georgianna Lincoln
Representative Albert Kookesh
Senator Gary Wilken



OFFICE OF THE CITY MANAGER

January 23, 2003

Mr. Kevin Waring, Chair
Local Boundary Commission
550 West Seventh Avenue, Suite 1770
Anchorage, Alaska 99501

Dear Mr. Waring:

I would like to again thank you for providing me with the opportunity to speak to the Commission last Saturday. The issue that is before us, the Unorganized Borough Review is a very important issue not only to the State but also to the City of Valdez. I have presented testimony to the Commission for a number of years now on this issue.

As I have said before and again on Saturday, the City of Valdez is opposed to the model borough boundary that the Commission has prepared for Prince William Sound. I can understand the desire to have every acre of the State located in some local government. However, sometimes it is not in the best interest of anybody to draw these lines.

In Chapter 3, page 56 of the Commission's report states that all but 99 persons, or 1.4% of the population of the proposed Prince William Sound model borough live within an incorporated municipality or village. To say that this region is the most populous unorganized region is not true. All but 1.4% of the population lives in an organized unit, be it an incorporated municipality or a village.

I believe the biggest issue that the Commission is overlooking is the regional economics. The tax base for the City of Valdez is unquestionably the largest in the proposed region. However, all but 5.4% of the population of the proposed model borough pays for local education. Much of the land outside the three incorporated municipalities is not taxable; therefore, the model borough asked 94.6% of the population to pay for 5.4%. As I have testified previously, the tax base for the City of Valdez is declining. It is worth approximately 50% of what it was 20 years ago. This decline in property values will continue for the foreseeable future.

P.O. BOX 307 * VALDEZ, ALASKA 99686
907-835-4313 PH * 907-835-2992 FAX

Also on page 56 of Chapter 3, the report compares the Prince Sound region to the Northwest Arctic Borough that was formed in 1986. I believe that the Northwest Arctic Borough was incorporated in order to receive tax benefits for the region from the Red Dog mine. I do not see a large resource development project in the horizon for Prince William Sound. I see a declining tax base.

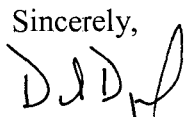
If boroughs must be formed, why not consider a borough that goes north and encompasses House District 12. Valdez has as much or more in common with communities along the Richardson Highway. Valdez serves as the port and the small boat harbor for the Interior. Many of the slip holders in the Valdez Small Boat Harbor live north of Valdez along the Richardson Highway.

I think that the Local Boundary Commission needs to rethink the model borough boundaries for the Prince William Sound area and the Copper River area. It seems that the boundaries for the model boroughs are based primarily on REAA boundaries, with legislative district boundaries being second. Would it not be more appropriate to use the legislative district boundaries as the primarily since in the case of Alaska has been litigated. One of the main components in redistricting is the socio economic issue.

I request that the Local Boundary Commission consider the following before recommending any model borough boundaries:

- Look very closely at the projected revenue of the proposed Prince William Sound model borough. Valdez will be more than happy to sit down with your staff to review our revenue projection models.
- Place more weight on the legislative districts when considering model borough boundaries.
- Consider changes to the standards that allow greater flexibility in the formation of boroughs that make greater economic and socio economic sense.

Thank you for the opportunity to provide these comments.

Sincerely,

David Dehgel
City Manager

300 Hermit St. #6
Juneau , Ak. 99801
January 23, 2003

Dear Sir:

In response to the Local Boundary Commission Unorganized Borough Review update of December 11, 2002 may I submit the following comments and background. In 1963 when the Juneau Borough was formed I was on the committee that drew the boundaries as you see them today. At that time in talks with the then member of the Local Boundary Commission I was encouraged to also select the Northern half of Admiralty Island but did not due to local feeling that our Borough was already to big. I was also aware that the rest of the State was to be organized into Boroughs soon after the Mandatory Boroughs were formed and boundaries would be adjusted. As your aware this did not take place until the present Legislation was passed. I have no objection to the Juneau Borough receiving the Hobart Bay area but we should also receive the Northern half of Admiralty Island. Thus the new boundaries would run from a point on the Canadian boundary into Stephens Passage to include Hobart Bay then up to the present Southwest corner of the Juneau Borough then west across Admiralty Island to the Northeast corner of the Sitka Borough then up Chatham Straits to the Southeast corner of the Haines Borough. This would then put Cube Cove, Hawk Inlet, and Funter Bay in the Juneau Borough. These areas are all presently served and use Juneau as a transportation and service center. A stop in the Juneau Airport would show you signs that indicate our local air service do take people to these places and the merchants in Juneau service them. I will be out of Juneau until February 8th but would hope this will be made part of the record on this matter.

Yours,

Albert L. Shaw

Albert L. Shaw

cc: City and Borough of Juneau

Sen. Kim Elton

RECEIVED
JAN 24 2003
Local Boundary Commission

City of Klawock, Alaska

Donna J. Williams, Mayor
PO Box 469
Klawock, Alaska 99925

Phone 907-755-2261
907-755- 2262
Fax 907-755- 2403

"Site of the First Salmon Cannery in Alaska"

**City of Klawock, Alaska
Resolution 03-03**

**A RESOLUTION OF THE KLAWOOCK CITY COUNCIL OPPOSING
MANDATORY BOROUGHIZATION, UNIFICATION, OR CONSOLIDATION ON
PRINCE OF WALES ISLAND.**

WHEREAS, the Klawock City Council is the governing body of the City of Klawock; and

WHEREAS, the community of residents in the City of Klawock is culturally distinct and unique among the communities on Prince of Wales Island; and

WHEREAS, the City of Klawock has a rich cultural heritage, tradition, and identity; and

WHEREAS, THE City of Klawock, native organizations and residents within the community seek to preserve the cultural identity, traditions and heritage of Klawock; and

WHEREAS, mandated boroughization, unification, or consolidation adversely affects economic well being of the City of Klawock and threatens the preservation of its identity, cultural heritage and traditions; and

WHEREAS, the current effort of the Local Boundary Commission to prepare and submit a report on mandated boroughization to the State Legislature has not provided adequate opportunity for input by local residents and local governmental entities; and

WHEREAS, the data and information upon which the Local Boundary Commission bases its report is arguably outdated, inaccurate, and incomplete; and

WHEREAS, the Klawock City Council supports the American Association of School Boards and the Klawock City School Board in opposing mandated mandated boroughization because it is contrary to local governance, values and priorities; and

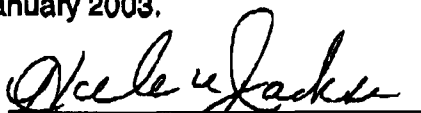
WHEREAS, mandatory boroughization, however well intended, is ill conceived in that it reverses a decades long trend toward increased local responsibility and control by encouraging the elimination of small REAA districts and small city districts and reduces the existing level of local control; and

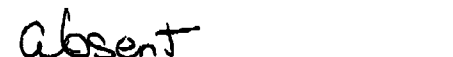
WHEREAS, mandatory boroughization ignores the economic reality of the lack of an adequate tax base on Prince of Wales Island to fund local education consistent with local values and priorities.


NOW THEREFORE BE IT RESOLVED that the Klawock City Council opposes mandated boroughization, unification or consolidation on Prince of Wales Island.

Passed and Approved this 21st day of January 2003.

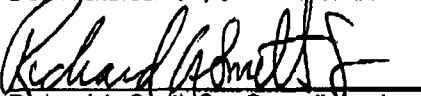

Jack P. Brown Jr., Councilmember


Helen M. Jackson, Councilmember


Henrietta J. Kato, Councilmember


Don Nickerson Jr., Councilmember


Jonathan O. Rowan Sr., Councilmember


Richard A. Smith Sr., Councilmember


Donna J. Williams, Mayor


Attest: Karen K. Clark, City Clerk